

Annual Urban Development Report



2007

**Planning
Building Codes
Zoning and Subdivision**

Board of Directors - 2007

Mayor	Mark Stodola
Ward 1	Erma Hendrix
Ward 2	Ken Richardson
Ward 3	Stacy Hurst
Ward 4	Brad Cazort
Ward 5	Michael Keck
Ward 6	Doris Wright
Ward 7	B.J. Wyrick
Position 8	Dean Kumpuris
Position 9	Gene Fortson
Position 10	Joan Adcock

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Board of Adjustment – 2007

Andrew Francis – Chairman
Terry Burruss – Vice Chair
Fletcher Henson
Debra Harris
David Wilbourn
James VanDover
Robert Winchester

City Beautiful Commission - 2006

Lynn Mittelstaedt Warren – Chairperson
Jan Baker
John Beneke
Cita Cobb
Jan Barlett Hicks
Amy Ivey
Troy Laha
Ross Piazza
Mary Jane Rebick
Karol Zoeller

Midtown Advisory Board - 2007

Craig Berry – Chairperson
Alicia Cooper
John Kincaid
Baker Kurrus
Melinda Martin
Scott Mosley
Robert Stebbins

Planning Commission - 2007

Robert Stebbins – Chairperson
Chauncey Taylor – Vice Chair
Pam Adcock
Fred Allen, Jr.
Lucas Hargraves
Troy Laha
Gary Langlais
Jerry Meyer
Mizan Rahman
Darrin Williams
Jeff Yates
J.T. Ferstl
Obray Nunnley, Jr.
Valerie Pruitt
Bill Rector

River Market Design

Review Committee - 2007

Tim Heiple -Chairman
Jim Jackson
Shannon Jeffery-Light
Frank Porbeck
Ann Wait

Construction Board of Adjustment and Appeal -2007

Rob Seay - Chairperson
Danny Bennett
Terry Burruss
H. James Engstrom
Electrical Engineer (vacant)
Isaac Ross
Plumbing contractor (vacant)

Historic District Commission - 2007

Carolyn Newbern – Chairperson
Susan Bell
Marshall Peters
Kay Tatum
Wesley Walls
Julie Wiedower



City of Little Rock

Department of Planning and Development

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Planning Zoning and Subdivision

February 4, 2008

Dear Citizen:

The Planning & Development Department is guided by the desire to preserve and enhance the quality of life that initially attracted each of us to the community that we continue to call home. We strive to bring City services closer to the people of the community in hopes of better understanding and involvement.

The Building Codes division continues to review plan applications on commercial buildings within five days and provides same-day review of residential applications, as well as same-day inspections of all requested inspections prior to 9:00 A.M. The division collected over \$2,600,000 in fees, including permit fees, licenses and other miscellaneous charges.

The Zoning & Subdivision division serves as a resource for developers, realtors and other citizens for zoning, plat status, development standards, or land use information. The division administers a number of ordinances and staff several boards and commissions. Activity within the division has remained steady.

The Planning division continues the effort with neighborhoods to define a common direction, based on a shared vision, which is articulated by residents of the neighborhoods, involved through neighborhood action plans and design overlay districts. Much of the division's efforts are aimed at developing data and analysis for others to make well-informed decisions. With the Little Rock Historic District Commission, the division works to advance preservation efforts.

Contained in this annual report are not only the accomplishments and achievements from the previous year for the Department, but information on development and development trends for the City of Little Rock. Please review this report and join us in efforts to further improve Little Rock in 2008.

Sincerely,

Tony Bozynski, Director
Planning and Development

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Building Codes Division

The Building Codes Division issues construction related permits and provides plan review and inspection services with regard to building, plumbing, electrical and mechanical construction in the city. The primary goal of the Division is to protect the public health and safety through the administration and enforcement of these codes. Within the Building Codes Division there are six sections. The Building Inspection Section, Electrical Inspection Section, Permit Section, Plan Review Section, Plumbing and Gas Inspection Section and Mechanical Inspection Section.

Code Compliance

Building				
	2007	2006	2005	2004
Permits Issued	4,868	4,694	5,330	5,032
Inspections	4,965	5,611	6,481	5,969
Violations	1,078	1,410	1,408	1,473
Fees	\$1,593,003	\$1,316,342	\$1,263,750	\$1,098,920
Plumbing				
	2007	2006	2005	2004
Permits Issued	3,542	3,874	4,137	3,767
Inspections	6,349	6,943	7,202	6,528
Violations	801	826	804	862
Fees	\$423,448	\$460,336	\$465,530	\$415,008
Electrical				
	2007	2006	2005	2004
Permits Issued	3,304	3,386	3,993	3,189
Inspections	7,388	8,356	9,547	7,770
Violations	1,168	1,588	2,006	1,540
Fees	\$469,614	\$478,744	\$570,173	\$382,012
Mechanical				
	2007	2006	2005	2004
Permits Issued	1,803	2,048	2,258	1,789
Inspections	3,975	3,896	4,179	3,825
Violations	856	757	795	636
Fees	\$409,479	\$395,436	\$393,981	\$346,653

Building Inspection

The Building Inspection Section is responsible for the inspection of all permitted commercial and residential construction jobs for code compliance through the full construction process, from foundation to the completion of construction. Inspections are also performed on dilapidated commercial structures and follow-up action is taken to have the structure repaired or removed.

Building Codes Division

Inspectors in this section also answer complaints involving illegal and non-permitted building projects. This section is responsible for review of building codes and proposes any changes as necessary.

Electrical Inspection

The Electrical Inspection Section is responsible for inspection of permitted projects for code compliance. This section inspects all new electrical construction as well as electrical repairs. This section also reviews electrical drawings involving commercial buildings and outdoor electrical signs. Inspectors handle complaints involving illegal and non-permitted work and check electrical contractors' licenses. This section also reviews and proposes changes to the electrical code as necessary.

Plumbing and Gas Inspection

The Plumbing and Gas Inspection Section reviews all permitted plumbing and natural gas projects for code compliance. The City of Little Rock also has jurisdiction over such work outside the city limits (if connecting to the city water supply). Inspections include water meter, yard sprinklers, installations involving plumbing and natural gas. Inspectors in this section also handle complaints involving illegal and non-permitted work. Inspectors check for plumbing contractors' licenses and privilege licenses. Plumbing construction drawings are reviewed for proposed commercial projects and this section also proposes changes to the plumbing codes as necessary.

Mechanical Inspection

The Mechanical Inspection Section is responsible for inspection of permitted projects for code compliance. These inspections include all heating and air installations. Inspectors in this section also handle complaints involving illegal and non-permitted projects and check contractors for proper licensing. Mechanical construction drawings are reviewed for proposed commercial projects and this section also proposes changes to the mechanical codes as necessary.

Plan Review Section

The Plan Review Section is responsible for the review of all proposed commercial building plans for code compliance. This review involves all phases of building from foundation to structural, electrical, plumbing and mechanical and qualifies all requirements of Wastewater, Water Works, Civil Engineering, Traffic Engineering, Fire and Landscaping code requirements. This section works closely with other city agencies as well as contractors, architects and developers.

Permit Section

All construction permits involving building, electrical, plumbing, and mechanical work are issued in this section. Utility reconnection releases for natural gas, water and electrical are handled in this section. Records and building plans are maintained on all jobs for which permits have been issued. The permit section also maintains all other general records of the Division.

Building Codes Division

Building Codes Highlights

During 2007 the Building Codes Division collected over \$2,600,000 in fees including permits, licenses and other miscellaneous charges and performed over 20,000 inspections. Ten major unsafe structures were demolished. All information brochures on commercial construction permitting, plumbing, mechanical, and electrical procedures were updated and made available to the public as well as two issues of the *Codes Roundup*.

All inspection personnel attended some type of training seminar during the year and several members were nominated to policy level positions within their respective organizations. Mark Whitaker and Chuck Givens were selected to serve on several key committees with national code organizations. The Division also celebrated International Building Safety and Customer Appreciation week during May.

A program, which provides for an increased flow of information and communication between the Division and the Arkansas General Contractors Association, Associated Builders & Contractors, and The Home Builders Association of Greater Little Rock has produced good results.

The debit system for contractors has been a great success and allows contractors to obtain permits via fax or mail. This service allows the contractor the convenience of not having to come to the office to purchase permits and decreases downtime and saves money.

The Division participated in the Criminal Abatement Program, which targets commercial and residential properties where criminal activity is present and building life safety are issues.

The Building Codes Division has had great success with the following programs and plans to upgrade and enhance them for better service.

- All inspectors are equipped with radios and cell phones for faster service.
- We provide quick response to all complaints.
- Five-day plan reviews insure prompt attention to commercial building applications.
- Same-day review is given to residential applications.
- Same-day inspections are made on all inspection requests made before 9:00 a.m.

	2007	2006	2005	2004	2003	2002	2001
Building Plans Reviewed	901	1147	1368	1495	1366	1533	1536
Construction B.O.A.	0	1	0	0	0	1	1
Electrical Exams	1	12	6	12	21	54	11
Franchise Permits	26	28	26	31	34	22	26

Building Codes Division

Major Jobs Reviewed, Permitted or Inspected in 2007

Projects of significant importance to the community involving new construction, additions or renovations include:

Churches

Pilgrim Rest Baptist
Pulaski Heights Methodist
St. Andrews Anglican
Fellowship Bible Church
St. James Methodist
Temple B’Nai Israel

Residential

Capitol Hotel
Red Development Apartments
The Sixth Hole Condos
Riviera Condos
Coleman Apartments
St John Apartments

Mercantile

Tablots
Hanks Furniture Store
JC Penny
Shackleford Crossings

Educational

Wakefield Elementary
Chenal Elementary
Episcopal Collegiate School
Chicot Elementary
Arkansas Game & Fish Commission
Forest Heights Middle School

Restaurants

Burger King
Starbuck’s
Mexico Chiquito
Famous Dave’s Bar-B-Q

Institutional

Arkansas Children’s Hospital (2)
St. Vincent Hospital
Fox Ridge at Chenal Assisted Living
Parkway Health Center
Harris Reynolds Clinic

Business

AT &T
Walgreens
The Container Store
River Market Tower
Bank of the Ozarks
Playtime Partnership
Twin City Bank
CDT-Advanced Tissue
Midwest Cinema

Factory/Storage

Hawker Beechcraft
Rogers Warehouse
3M Company
Central Arkansas Water Works
National Home Center
Little Rock Warehouse Association
Pulaski County Bridge
Little Rock Wastewater
Dassault Jet
United Parcel Service
Custom Metals

Zoning and Subdivision Division

Zoning and Subdivision Regulations are the principal tools employed by the City of Little Rock in guiding the city objectives and plans to specify goals. They assure compatibility of uses while directing the placement of infrastructure and public services.

Platting, rezoning and site development ordinances are administered by this Division. Additionally, use permits, variances and enforcement are dealt with daily.

The Division also acts as a resource agency for developers, realtors and other citizens when presented with requests for current zoning, plat status, development standards or statistical information.

Limited involvement in maintaining a neighborhood contact list for purposes of monitoring development activities has been continued by the division. The list is monitored for updates and expansions, within a computer master list. This record offers several notice formats for contacts.

This Division has encouraged local developers to provide early contact with staff to assure that development proposals are filed in a timely manner, and with involvement of interested persons or organizations.

Staff from the Division continues their involvement in neighborhood meetings with developers and area residents. These meetings are held in the neighborhood normally during the evening hours to facilitate attendance by interested neighbors. These meetings usually concern an active application for development.

2007 Sign Code Statistics

Sign permits brought in \$70,835 in fees for the year. In addition, the Division administered the scenic corridor provisions on billboards.

741 Sign Permits Issued

6088 Sign Inspections and Re-inspections

In 2008, the Division will continue to monitor and enforce the Sign Ordinance. The staff anticipates no significant changes in the coming year.

Commercial Plan Review

The Division provides for a detailed review of all commercial permits for purposes of assuring that all developments comply with Zoning, Subdivision and Landscape Ordinance standards.

Additionally, reviews of the landscape and buffer requirements for developments going before the Planning Commission are provided. These reviews not only aid the City Beautiful Commission in its efforts to create a more livable city, but assist in providing a five (5) day “turnaround” on all commercial building permits.

Zoning and Subdivision Division

2007 Plans Review for Zoning, Subdivision and Landscape Requirements

174 Commercial Plans/New or Additions

353 Commercial Landscape Plans

2007 Other Activities

44 Franchise Request

278 Site Inspections

80 Certificates of Occupancy

127 Grading Permits Reviewed

Enforcement

The Division performs a key role in maintaining the effect and values of land use regulation by enforcing the Zoning, Subdivision and Landscape Ordinances. Over 3,400 inspections and re-inspections were performed.

2007 Plan Reviews for Permits

1174 Residential Plans – New or Additions

2007 Privileges Licenses

1717 Retail, Commercial, Office, Industrial and Home Occupation Reviews

2007 Information Inquiries

5442 Request for Sign, Zoning, Enforcement or Licenses

2007 Court Cases

86 Cases – All Types

2007 Citations Issued

18 Cases – All Types

Wireless Communication Facilities

The Division continued to administer Article 12 of the City Ordinances, passed January 1998, which regulates wireless communication facilities. During 2007, 11 locations were approved administratively. Staff shall continue to encourage collocation of WCF facilities.

Zoning Site Plan

Zoning Site Plan review is a development review process that provides for case-by-case consideration of project particulars involving site development plans within certain zoning districts in the City of Little Rock. Plans for all such developments are submitted to and reviewed by the Division and the Little Rock Planning Commission. During 2007, the Division and the Planning Commission reviewed 8 zoning site plans, all of which were approved by the Planning Commission.

Zoning and Subdivision Division

Subdivision Site Plans

Subdivision Site Plan review is a development review process that provides for case by case consideration of project particulars involving multiple building site plans. Plans for all such developments are submitted to and reviewed by the Division and the Little Rock Planning Commission. During 2007, the Division and the Planning Commission reviewed 20 Subdivision Site Plans, with 15 of the plans being approved by the Planning Commission.

Conditional Use Permits

Divisional staff provides support and analysis for the Planning Commission's review of Conditional Use Permit applications. Conditional uses are specifically listed uses within the various zoning districts, which may be approved by the Planning Commission. Such uses are subject to special conditions as determined by the Commission. In 2007, the Commission reviewed 44 Conditional Use Permit applications. Of these, the Commission approved 40 applications.

Board of Zoning Adjustment

Staff support and analysis for the Board of Zoning Adjustment is provided by divisional staff. The Little Rock Ordinance provides a multitude of specific requirements which, when applied to certain developments or in individual instances, may create hardship. In those instances, the Board of Adjustment is empowered to grant relief. The Board hears appeals from the decision of the administrative officers in respect to the enforcement and application of the Zoning Ordinance. In addition, the Board is responsible for hearing requests for variances from the literal provisions of the Zoning Ordinance. The Board consists of five (5) members appointed by the Board of Directors to a term of three (3) years. The Board meets one (1) time each month, typically the last Monday of the month. In 2007, the Board heard a total of 77 cases. Of the 77 requests, 72 were approved.

City Beautiful Commission

The Zoning and Subdivision Division provides staff support and analysis for the City Beautiful Commission. This nine (9) member commission is responsible for the establishment and maintenance of plans to ensure a high level of visual aesthetic quality. The goal of the commission is to raise the level of the community expectations for the quality of its environment. The Commission also hears and decides appeals from enforcement of the various provisions of the City's Landscape Ordinance. The Commission heard six such appeal cases in 2007.

Rezoning, Special Use Permits and Right-of-Way Abandonments

Divisional Staff provides support and analysis for the Planning Commission's review of rezoning and special use permit requests and proposed right-of-way abandonment requests. In 2007, the Planning Commission reviewed 24 rezoning requests, 6 special use permit requests and 20 proposed right-of-way abandonment requests.

Preliminary and Final Plats

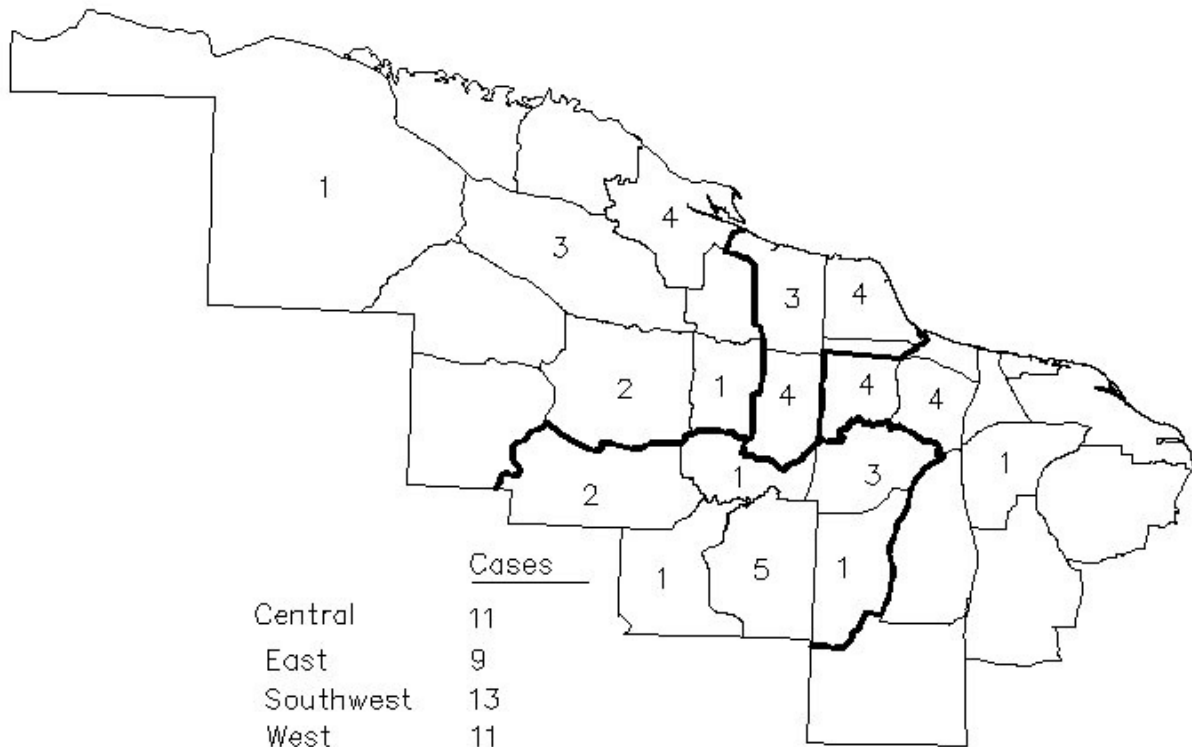
Divisional Staff, in conjunction with the Planning Commission, administers Chapter 31 of the Code of Ordinances, the Subdivision Ordinance. Staff provides review and analysis of proposed preliminary plats and administers the approval of final plats. In 2007, Staff reviewed 30 preliminary plats and 91 final plats.

Zoning and Subdivision Division

Planned Zoning District

Divisional Staff provides support and analysis for the Planning Commission and Board of Directors' review of Planned Zoning District applications. The Planned Zoning District is a combined subdivision and zoning review in one process in order that all aspects of a proposed development can be reviewed and acted upon simultaneously. In 2007, 92 Planned Zoning District applications were reviewed.

Filed Conditional Use Permits



Planning Division

The Planning Division provides mid and long range planning as well as technical support to the City. The division prepares neighborhood plans and reviews draft amendments to the existing plans. The division staff reviews reclassification requests, certificates of appropriateness, and development of staff reports for Land Use Plan amendments requested by various groups.

The staff of the Planning Division responds to requests for statistics, graphics, and GIS products. This Annual Report is one example of the products produced by the division. The division monitors the Website for updates and assists with all computer needs of the department. In addition, at the request of the Board of Directors and/or the Planning Commission, the division staff may work on special studies. A few of the major work efforts from 2007 are described below.

Review of Land Use Plan Issues

The Planning staff reviews all rezoning (including PZD) requests for conformance with the adopted Land Use Plan and any Neighborhood Plan in effect for the area. If non-conformance with the Land Use Plan is discovered, a Plan amendment for the area is developed and processed. For all cases a written review of both the Land Use Plan and any Neighborhood Plan is prepared. In those cases where an amendment is determined to be necessary a full staff report (conditions, changes, recommendations) is generated.

Planning staff reviewed 25 requests for Plan changes in 2007. Of these, the Planning Commission forwarded eleven to the Board of Directors.

Special Planning Efforts

The Division Planners worked on two Design Overlay Districts (DOD). Working with the Midtown Redevelopment Advisory Board, staff developed a major re-write of the Midtown DOD. This included expansion of the area as well as additional requirements. Meetings with the Advisory Board and notifications to property owners were done in early 2007. The Little Rock Board of Directors approved this significant change in May of 2007. The second DOD was for the Hillcrest neighborhood. The Hillcrest Neighborhood Association (HRA) developed a draft DOD and presented this to the City. Staff working with the Plans Committee and leaders of the HRA modified the draft for adoption by the City. The area property owners were notified of the proposal and hearings held before the Planning Commission and Board of Directors. The Hillcrest Overlay was approved by the Board of Directors in July of 2007.

Boards and Commissions Supported

The Planning Division provides staff and meeting support for the Little Rock Historic Commission, Midtown Redevelopment District Advisory Board and the River Market Design Review Committee. Each of these Boards or Commissions meets on a monthly basis.

In 2007, the Commission reviewed 14 applications for Certificates of Appropriateness (COA). After review and in some cases with modifications the Historic Commission approved ten requests for COAs within the McArthur Park Historic District.

Planning Division

The Midtown Redevelopment Advisory Board completed the re-write of the Midtown Design Overlay District. The Advisory Board has been and continues to monitor the process on the 'University Mall' site.

The River Market Design Review Committee met through the year to review and discuss applications for exterior changes within the River Market Overlay District. Staff and the Committee reviewed a total of eight requests.

GIS & Graphics Activities

GIS continues to be the source of sketch and base maps as well as statistics for neighborhood plans and special studies. Members of the division staff represent the City on various PAGIS committees dealing with maintenance and development of the regional GIS. Maintenance of data related to future land use, zoning and structure changes (addition or removal) continues. GIS has become a support function of the division for both graphics and statistical reports with use of ArcMap software.

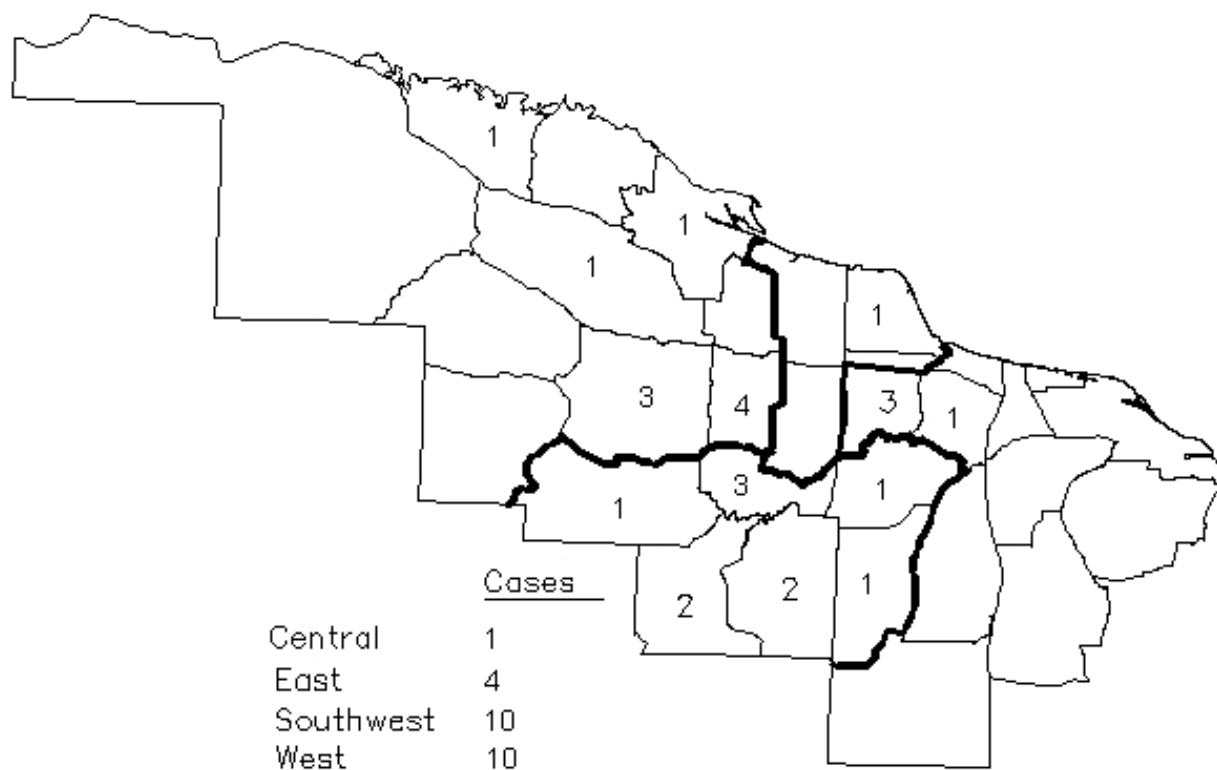
The graphics section continues to maintain the Zoning Base Maps and provide graphic support for the department and other agencies. The graphics section produced brochures, sketch maps, business cards, graphics for special studies and neighborhood plans. The graphics staff also performs GIS maintenance.

Neighborhood Plans

The Planning Division has continued the Neighborhood Plan process with work on the updates (review) for the Western Hills/Pecan Lake/Stagecoach Dodd Neighborhoods Plan and Geyer Springs/Wakefield Neighborhood Plan. Work on a Plan for the Oak Forest Neighborhood Plan update was undertaken in 2007 with a late 2008 completion date expected.

Planning Division

Future Land Use Plan Amendments



2007

**Urban
Development
Report
Data**

Urban Development Report

This Urban Development Report is designed to describe and monitor growth and present a comprehensive overview of significant demographic, economic and development conditions, which exist in the City of Little Rock during the 2006 reporting period.

Sources of the data are the official records of the Department of Planning and Development, MetroPlan and *Arkansas Business*. Building permits were used to quantify the numbers, locations and magnitude of the various residential and nonresidential developments. The data reflected by building permits is only the authorization for construction and the possibility exists that a small number of construction projects were not initiated before the end of 2006.

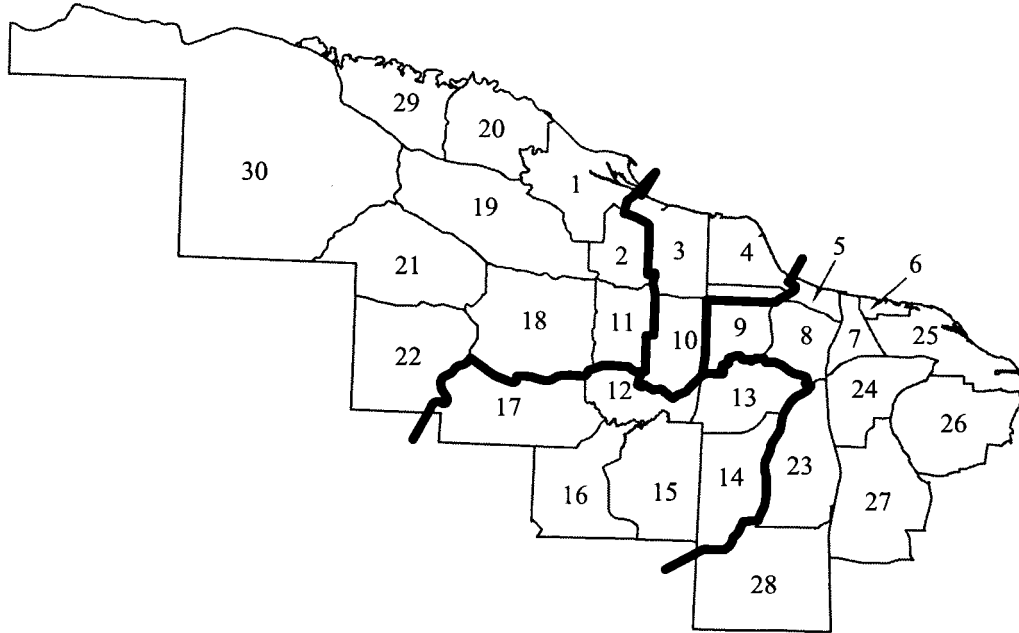
Thirty Planning Districts have been designated for both land use and statistical purposes. The districts follow physical features and include not only the area within the corporate limits but also area beyond. For reporting purposes four sub-areas have been designated. Both the Planning Districts and sub-areas form the framework for presentation of data in this report.

The preceding map indicates the area of each Planning District while the following chart provides the Planning District names and corresponding sub-area.

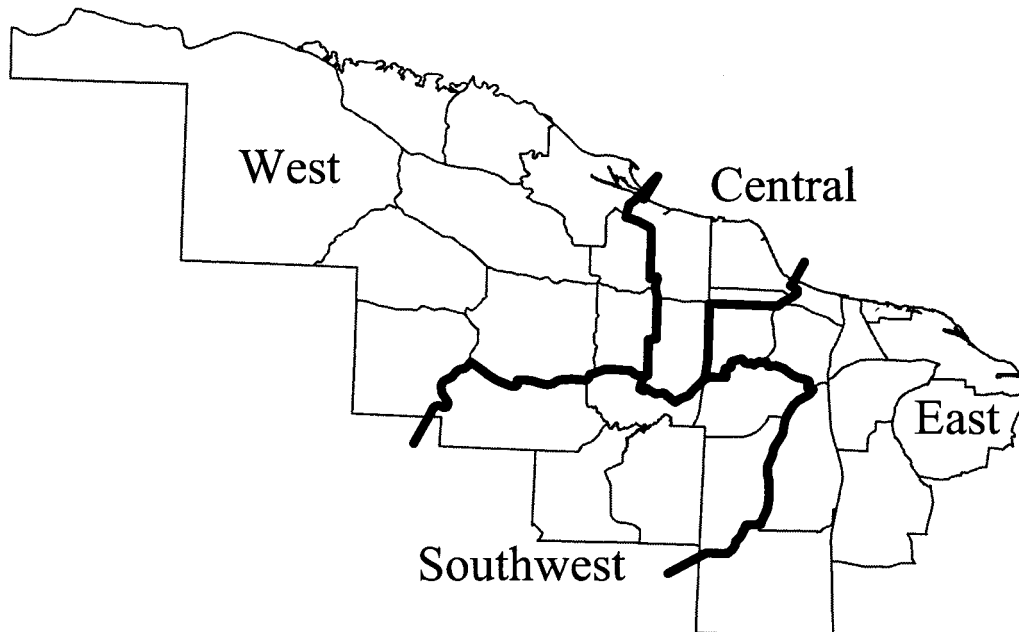
	Planning District	Sub - Area
1	River Mountain	West
2	Rodney Parham	West
3	West Little Rock	Central
4	Height/Hillcrest	Central
5	Downtown	East
6	East Little Rock	East
7	I-30	East
8	Central City	East
9	I-630	East/Central
10	Boyle Park	Central
11	I-430	West
12	65 th Street West	Southwest
13	65 th Street East	Southwest
14	Geyer Springs East	Southwest
15	Geyer Springs West	Southwest
16	Otter Creek	Southwest
17	Crystal Valley	Southwest
18	Ellis Mountain	West
19	Chenal	West
20	Pinnacle	West
21	Burlingame Valley	West
22	West Fourche	West
23	Arch Street Pike	East
24	College Station	East
25	Port	East
26	Port South	East
27	Fish Creek	East
28	Arch Street South	East
29	Barrett	West
30	Buzzard Mountain	West

Urban Development Report

Planning Districts



Sub - Areas



Development Activity Summary

Population Estimate

193,275 persons 2007 population estimate

New Construction

798 permits; down 10.7% from 894 in 2006

Single-Family Housing

708 units; down 12.6% from 810 units in 2006

\$231,212 avg.; down 5.9% from \$245,606 in 2006

Multi-Family Housing

564 units; up 366% from 15 units in 2006

Residential Renovations/Additions

1104 permits; down 6.9% from 1185 in 2006

\$51,758,079 construction dollars; up 6.4% from \$48,661,450 in 2006

Demolitions

285 residential units; up 70.7% from 167 in 2006

Office

266,666 square feet; up 67.6% from 159,135 in 2006

\$39,685,437 construction dollars; up 67.3% from \$23,716,810 in 2006

Commercial

823,137 square feet; up 72% from 478,592 in 2006

\$49,595,750 construction dollars; up 51.9% from \$32,646,539 in 2006

Industrial

211,184 square feet; up 82.2% from 115,919 in 2006

\$21,380,347 construction dollars; up 182% from \$7,591,799 in 2006

Annexations

One annexation for 137.94 acres, compared to one annexation totaling 9.94 acres in 2006

Preliminary Plats

647 residential lots; down 51.2 % from 1327 lots in 2006

557.28 total acres; down 44 % from 995.84 acres in 2006

Final Plats

91 cases; no change from 91 cases in 2006

518.33 acres; up 10.3% from 470.09 acres in 2006

Rezoning

23 cases; down 25.8% from 31 cases in 2006

101.31 acres; down 32.5 % from 150.14 acres in 2006

PZD's

70 cases; down 0.1 % from 71 cases in 2006

577.82 acres; up 42.2 % from 406.27 acres in 2006

Population Growth and Projections

The population change recorded by the Census has consistently been positive. During the latter part of the 1900s, annexations of already developed areas help inflate the numbers. This slowed in the 1990s to almost no population gained due to annexation. Thus the large growth shown for the 1960s, 1970s and 1980s is an over representation of the actual urban growth.

Little Rock Population		
Year	Population	Annual % change
1900	38,307	-
1910	45,941	19.93%
1920	65,142	41.79%
1930	81,679	25.39%
1940	88,039	7.79%
1950	102,213	16.10%
1960	107,813	5.48%
1970	132,483	22.88%
1980	159,024	20.03%
1990	175,795	10.55%
2000	183,133	4.17%
2001	183,923	0.43%
2002	184,354	0.23%
2003	185,835	0.80%
2004	187,748	1.03%
2005	189,220	0.78%
2006	192,530	1.75%
2007	193,275	0.39%

Little Rock continues to experience a slow to moderate growth rate. Most of the growth has been in the west and southwest parts of the City. The east and central sections of Little Rock experienced most of the population loss. Though it should be noted that there were some areas of growth in all sections of the City. In downtown and surrounding areas there have been several new mid-density residential developments and single-family homes constructed.

It should be noted that the Bureau of the Census' estimate for the City of Little Rock is not as 'rosy' as the City's. The Bureau for the 1990s likewise had estimated a lower growth rate than the City's estimate. The 2000 Census results were closer to the City than the Bureau's estimate. The City does not go back and change previous estimates as some organizations so any error in one year will continue through. As development activity continues in various areas and 'market ranges', it should be noted that the estimates for the 2003 to 2006 period may be overstated. For this reason, it is recommended to use the estimate here as the high end of a range with the recommended low-end of the range as 189,000.

For those who will be using the Bureau's new estimates that replace the Long Form – the American Community Survey, care should be used since the numbers are based on an estimate, which has proven to not always be accurate.

Construction Activity

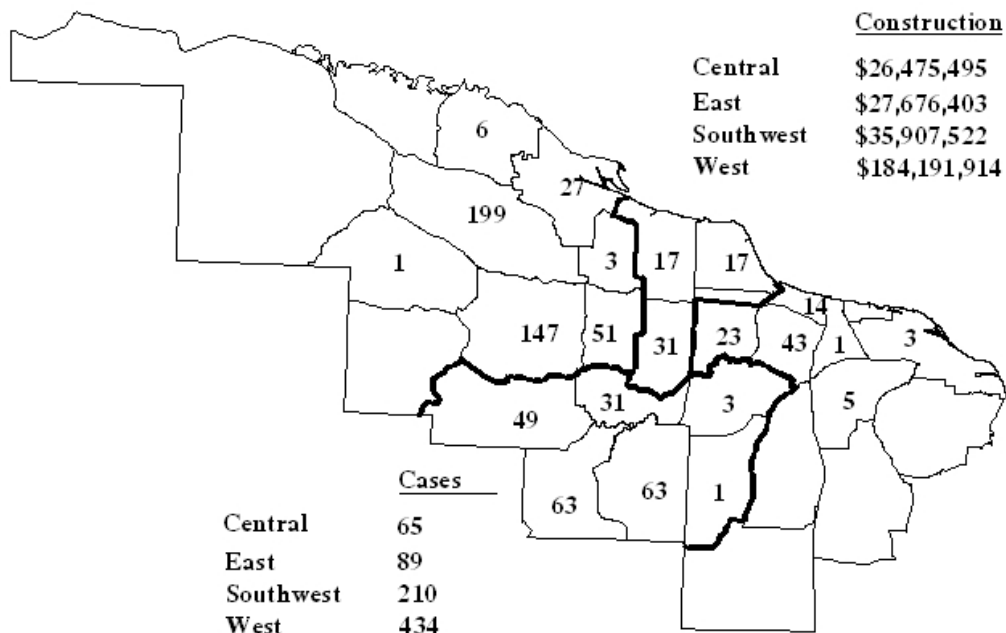
During 2007 the total number of new construction permits issued declined by 96 (10.7%) over the number of permits issued in 2006. In 2007 there were 798 permits issued for a total of \$274,251,334 construction dollars. Permits for non-residential projects declined 6.5 percent from 77 to 72 permits. The number of commercial permits remained the same at 27 permits with the area added increasing approximately 72 percent to 823,137 square feet. Office permits increased 29.4 percent with an area of 266,666 square feet or 67.6 percent less area added in 2007 than in 2006. For industrial, there was a decrease of one permit to six, but an increase of 82.2 percent in area added (211,184 square feet). There was a 34 percent decrease in the number of Public/quasi-public projects permitted declining to 17 projects.

New single-family unit construction decreased by 12.6% (102 units) from 2006 construction permits issued. 708 units were added in 2007 with an average construction cost of \$231,212. The west sub-area continued to dominate the market with 53.8 percent of the new units. The Chenal District leads the way with 171 units or 24 percent of all new homes. The southwest sub-area did decrease its share of the new home market, falling to 28.5 percent of all new homes.

Permits for Multifamily increased in 2007 with twenty permits and 564 units added. This is a one-year increase of 186 percent in permits and 366 percent increase in units. There were four apartment complexes or condominium developments. One was the addition of two buildings to an existing complex with 72 units added. There was one new apartment complex and two new condominium developments permitted.

The map below graphically indicates the activity by Planning District within the sub-areas. The data included on the map includes new construction activities (accessory structures are not reflected). In addition, permits are not required for construction outside the city limits.

New Construction Activity



Construction Activity

Residential Construction Activity

Planning District	Single-Family		Multi-Family		Total Units
	Permits	Avg. Cost	Permits	Units	
1	23	\$265,609	0	0	23
2	1	\$489,400	0	0	1
3	13	\$410,385	2	72	85
4	15	\$766,733	0	0	15
5	10	\$154,350	1	150	160
6	0	\$0	0	0	0
7	1	\$123,500	0	0	1
8	41	\$114,383	2	4	45
9	12	\$107,877	7	132	144
10	30	\$124,730	0	0	30
11	39	\$128,275	0	0	39
12	29	\$148,914	0	0	29
13	2	\$81,250	0	0	2
14	1	\$105,000	0	0	1
15	62	\$110,668	0	0	62
16	60	\$149,459	0	0	60
17	48	\$137,489	0	0	48
18	142	\$207,378	0	0	142
19.1	132	\$400,386	8	206	338
19.2	39	\$320,505	0	0	39
20	5	\$370,800	0	0	5
21	0	\$0	0	0	0
22	0	\$0	0	0	0
23	0	\$0	0	0	0
24	3	\$92,333	0	0	3
25	0	\$0	0	0	0
26	0	\$0	0	0	0
	708	\$231,212	20	564	1272

Note: in 2007 there were eight single-family units and three duplexes added by moving a structure on to the site. This occurred as follows: seven units in District 8 (Central City) – 1 home and 3 duplexes, three units in District 9 (I-630), three units in District 10 (Boyle Park), and one unit in District 19.1 (Chenal Valley).

Construction Activity

Non-Residential Construction Activity

Planning District	Commercial		Office		Industrial		PQP Permits
	Permits	Sq. ft.	Permits	Sq. ft.	Permits	Sq. Ft.	
1	1	3154	2	12,991	0	0	1
2	0	0	1	3600	0	0	1
3	2	14,915	0	0	0	0	0
4	1	18,000	1	2600	0	0	0
5	0	0	1	2400	0	0	2
6	0	0	0	0	0	0	0
7	0	0	0	0	0	0	0
8	1	6434	0	0	0	0	1
9	1	1428	1	5226	0	0	2
10	1	2900	0	0	0	0	0
11	7	273,436	4	49,508	0	0	1
12	1	69,200	0	0	0	0	1
13	0	0	1	1600	0	0	0
14	0	0	0	0	0	0	0
15	0	0	1	7000	0	0	0
16	0	0	1	7560	2	111,000	0
17	0	0	0	0	0	0	1
18	1	75,000	2	12,990	0	0	2
19.1	10	343,850	6	136,911	0	0	1
19.2	1	14,820	0	0	0	0	2
20	0	0	1	21,680	0	0	0
21	0	0	0	0	0	0	1
22	0	0	0	0	0	0	0
23	0	0	0	0	0	0	0
24	0	0	0	0	2	14,134	1
25	0	0	1	2600	2	86,050	0
26	0	0	0	0	0	0	0
	27	823,137	23	266,666	6	211,184	17

In Planning District 13 a commercial permit was issued for a parking lot.

Residential Activity

Single-family activity dropped back to the level in 2003, with a decline of 102 units in 2007. There were 708 units permitted. This makes 2007 a good activity year. Single-family unit construction continued its robust growth from 2003. For much of the year there were monthly reductions, however the activity remained at or the above average for each of these months.

As in previous years, the majority of the new units added are in the west sub-area. The Chenal Planning District, generally south of Hinson Road/Taylor Loop Road, west of Napa Valley Drive/Mara Lynn Road and north of Chenal Parkway continues to have a majority of the single-family unit permits issued. For 2007, 24.2% of the permits issued were located in this area. Of the permits issued in the Chenal Planning District, 132 units were located west of Rahling Road (almost 18.7%), and 39 units were permitted for the area east of Rahling Road.

The next most active planning district is the Ellis Mountain Planning District (20 percent), an area bounded by Chenal Parkway to the north, Bowman Road to the east, the city limits to the west and Colonel Glenn Road to the south. These were in the Capitol Lakes, Taylor Park and Woodlands Edge Subdivisions. It should be noted that all the loss experienced from that in 2006 can be accounted for in the Chenal Planning District. That is, without this district the City of Little Rock have added a similar number of single-family homes in 2007 as that is 2006.

The central and east sub-areas together accounted for approximately 18 percent of the new housing market. Most of this increase was 'in-fill' or replacement (removing a structure and building a new larger one on the same site) homes. The southwest sub-area continued to show strong activity with moderately priced homes, with a slight decrease of market share to 28.5 percent.

Three new larger multi-family complexes were permitted and one addition to a complex occurred in 2007. In the Chenal District a 206-unit condo development was permitted. Another 150-unit condo development was permitted as part of a downtown high-rise. In the I-630 District a 132-unit apartment complex was permitted targeted for student housing.

Residential Activity

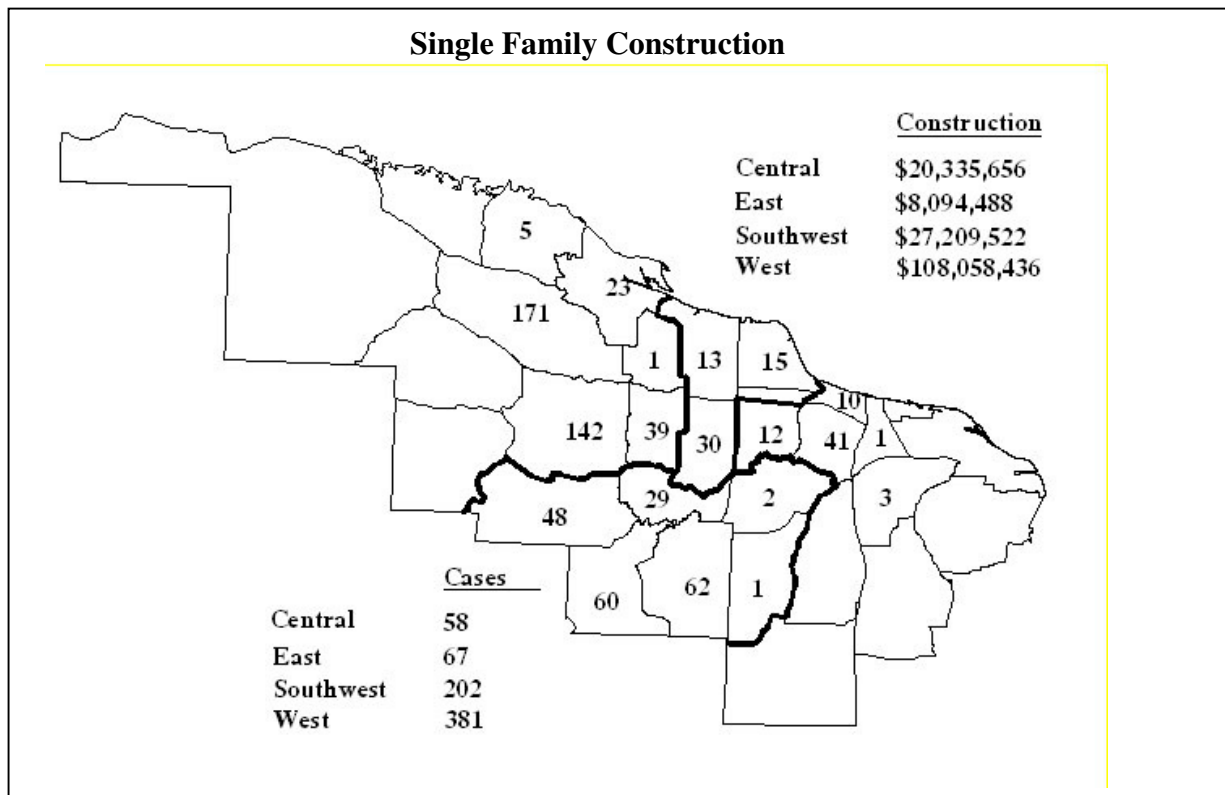
Single Family			
Year	Permit	Cost	Avg. Cost
1997	448	\$71,510,751	\$159,622
1998	495	\$89,757,916	\$181,329
1999	555	\$102,062,168	\$183,896
2000	468	\$92,378,933	\$197,391
2001	483	\$105,179,005	\$217,762
2002	581	\$136,231,640	\$234,075
2003	729	\$176,509,112	\$242,125
2004	797	\$208,521,990	\$261,633
2005	967	\$249,478,968	\$257,993
2006	810	\$198,940,867	\$245,606
2007	708	\$163,698,102	\$231,212

Multi-family			
Year	Permit	Units	Cost
1997	11	1240	\$41,462,210
1998	6	790	\$19,635,381
1999	44	537	\$20,309,000
2000	56	236	\$12,084,472
2001	36	95	\$13,081,744
2002	26	238	\$12,158,550
2003	25	436	\$16,841,397
2004	77	1100	\$49,089,845
2005	30	300	\$54,908,813
2006	7	15	\$1,838,950
2007	20	564	\$84,519,844

Residential Activity

Single Family Units

	Sub-area			
	East	Central	S-west	West
2007 Permits	67	58	202	381
2006 Permits	26	61	257	466
2005 Permits	30	49	252	636
2004 Permits	15	41	194	547
2003 Permits	16	41	209	463
2002 Permits	24	32	156	369
2001 Permits	13	31	89	350
	East	Central	S-west	West
2007 %	9.5%	8.2%	28.5%	53.8%
2006 %	3.2%	7.5 %	31.7%	57.5%
2005 %	3.1%	5.1%	26%	65.8%
2004 %	1.9%	5.1%	24.3%	68.6%
2003 %	2.2%	5.6%	28.7%	63.5%
2002 %	4.1%	5.5%	26.8%	63.6%
2001 %	2.7%	6.4%	18.4%	72.5%



Housing Construction Values

The average construction cost of a new single-family home decreased 5.9% or \$14,394 from that in 2006. The average unit value in 2006 was \$245,606 compared with \$231,212 in 2007. Interest rates have continued at relatively low levels, which is making housing more affordable in real terms. The national mortgage problems have made getting loans more difficult partial slowing development.

Housing values are represented below in five distribution categories: less than \$100,000, less than \$200,000, less than \$400,000, less than \$600,000 and \$600,000 and above. There were 55 units constructed below \$100,000, 362 units constructed in the range of \$100,000 to \$199,999, 219 units constructed in the range of \$200,000 to \$399,999, 39 units constructed in the range of \$400,000 to \$599,999 and 33 units above \$600,000.

During 2007, 51.1 percent of the homes permitted were in the \$100,000 to \$199,999 construction value range. The majority of these homes were built in the southwest sub-area, at 47.5%. Most of the activity was located in the Otter Creek and Geyer Springs West Districts, with 53 and 49 units respectively. The Ellis Mountain District in the west sub-area had the most units in this range at 20.7% or 75-units. The four districts with the most units in the range are located next to each other in the southwest part of Little Rock (both southwest and west sub-areas), representing 221 units or 61% of this range and 31.2% of all the houses permitted in 2007.

Both the upper-end, over \$600,000, and lower-end, below \$100,000, value ranges experienced increases in the number of homes permitted. The \$100,000 to \$199,999 value range declined two-percentage points to 362 units. The majority of the loss in housing units was in the \$200,000 to \$600,000 value ranges. This is the upper-middle income to upper income housing. Almost all of this decline was in the Chenal Planning district. The lower-end housing, below \$100,000, was located in three districts – Central City, I-630 and Geyer Springs West (in the east and southwest sub-areas).

Sub-area	2001	2002	2003	2004	2005	2006	2007
West	\$243,844	\$285,620	\$301,125	\$310,075	\$310,861	\$313,368	\$284,130
Central	\$266,315	\$265,331	\$185,713	\$242,623	\$265,938	\$247,901	\$350,603
Southwest	\$121,220	\$130,317	\$134,121	\$140,425	\$140,532	\$135,558	\$133,735
East	\$80,352	\$83,953	\$90,159	\$114,691	\$115,069	\$113,480	\$117,198

Most of the high-end, over \$600,000, value housing was located in the Chenal District. Only four (7%) of the low-end housing was located in the west sub-area, while 26 (78%) of the high-end housing was permitted in this sub-area. The remaining 7 (22%) of the high-end value homes was permitted in the central sub-area. This sub-area also permitted seven low-end value homes (12.7% of those in that range).

While the average construction value fell 5.9 percent for the City, the central sub-area average value increased 41 percent to \$350,603. This was the greatest increase, \$102,702. The east sub-area also increased average value by 3.3% or \$3718. The east sub-area is the lowest value at \$117,198. This sub-area has been experiencing increases over the last ten years. The southwest sub-area declined 1.3 percent of \$1823. The southwest sub-area has declined each of the last two years. The west sub-area had been the highest value but with a \$29,238 or 9.3% drop, it is now the second highest in average home value.

Housing Construction Values

Construction Cost Single Family Homes

Planning District	\$600,000 & Greater	\$400,000 - \$599,999	\$200,000 - \$399,999	\$100,000- \$199,999	Below \$100,000	Total
1	0	3	12	8	0	23
2	0	1	0	0	0	1
3	4	1	3	5	0	13
4	3	6	6	0	0	15
5	0	0	0	10	0	10
6	0	0	0	0	0	0
7	0	0	0	1	0	1
8	0	0	2	24	15	41
9	0	0	1	2	9	12
10	0	0	2	21	7	30
11	0	0	1	35	3	39
12	0	0	3	25	1	29
13	0	0	0	0	2	2
14	0	0	0	1	0	1
15	0	0	0	49	13	62
16	0	0	5	53	2	60
17	0	0	4	44	0	48
18	1	0	65	75	1	142
19.1	23	21	83	5	0	132
19.2	2	5	29	3	0	39
20	0	2	3	0	0	5
24	0	0	0	1	2	3
25	0	0	0	0	0	0
Total	33	39	219	362	55	708

Residential Renovations/Additions

Reinvestment in Little Rock neighborhoods can be illustrated by the amount of renovation and addition activity within the neighborhoods. During 2007 reinvestment totaled over \$31.4 million dollars. The east sub-area had the greatest number of permitted projects issued in 2007 with 336 (36.5% of all the projects for 2007).

The central and east sub-areas accounted for 68.4% of the permits issued. With approximately \$20.5 million of the \$31.4 million dollars (or 65%) spent for reinvestment occurring in these sub-areas, they are the dominant part of the reinvestment market. It is worth noting that 48% of all reinvestment dollars were spent in the central sub-area.

The east sub-area accounts for 46.3% of the permits for renovations and 34.6% of the dollars were spent. While it is a positive sign to see this reinvestment, it can be only to 'bring the housing up to code'. Renovations are both making needed repairs and upgrading the structure. It does not include added living space. The second highest level of permits was in the central sub-area with 27.1%, however this sub-area had the greatest number of dollars spent (34.6 % or \$6.3 million). The west sub-area had the lowest permit level with 74 or 11%, but the second highest amount of dollars 29.4% or \$5.4 million. The southwest sub-area had the least dollars (10.3%) or \$1.9 million and the second lowest permits with 104 or 15.5%.

The renovation figures also include single-family homes re-permitted. That is, a home which gets a new (second) building permit before the structure is built. In 2007, there were less than a half dozen of these. In the Downtown Planning District permits to 'finish-out' condominiums are included with the multifamily renovation figure for the fifth year.

Multi-Family Renovations

The area which experienced the largest number of permitted projects and dollars spent was the east sub-area, 42.3% of the permits (69) and 34.5% of the dollars (\$7 million). Just over one million dollars was spent in the west sub-area, with 6.7% of the permits – the least permits and value added. The central sub-area accounted for 22.9 percent of the permits (37) with a value of \$6,532,482. The southwest sub-area had the second highest number of permits, 46 (28.2%) with a value of \$5,640,040.

Single-Family Additions

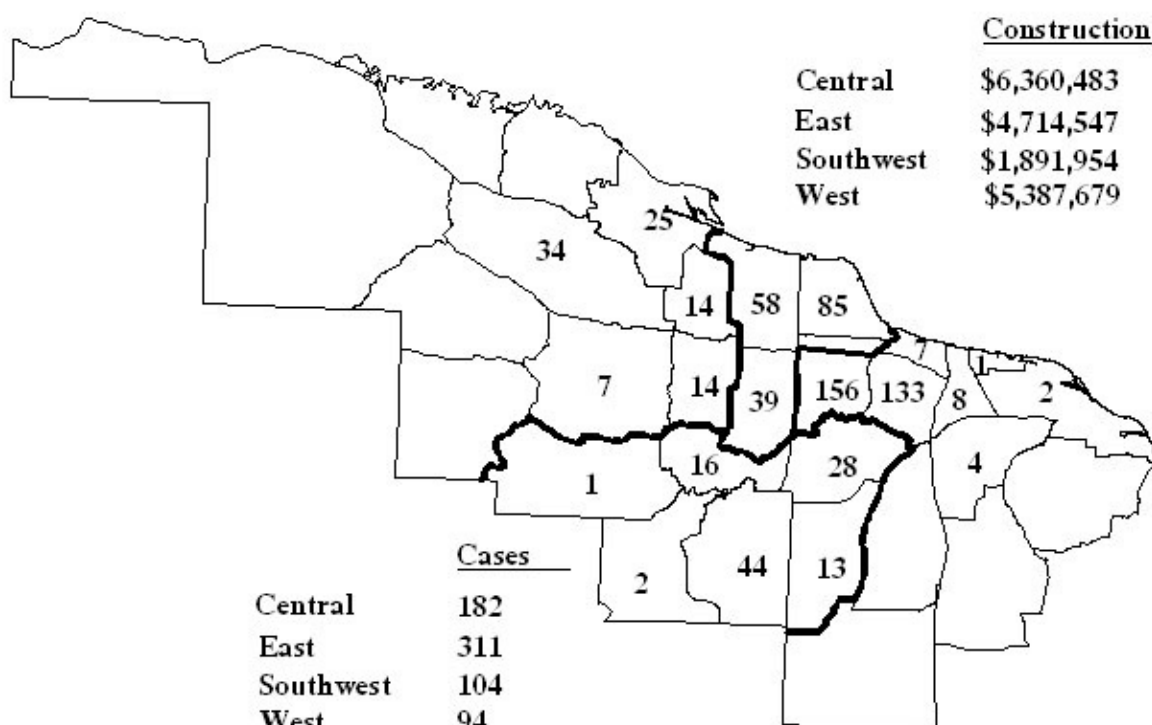
Single-family additions were concentrated in the central sub-area. Citywide 250 permits were issued for a total of \$13,072,100. The central sub-area accounted for 67.2% (\$8,783,673) of the dollars permitted. The majority of the central sub-area permits and dollars were expended in the Heights/Hillcrest Planning District (66 permits and \$6,536,276). In the west sub-area 82 permits were issued for \$3,206,302. The Chenal Districts accounted for 27 with the I-430 and River Mountain Districts each accounting for 15. The values were \$1,131,650 in the Chenal District and \$1,083,790 and \$173,950 respectively for the River Mountain and I-430 Districts. Overall the average value of permits issued for additions decreased by 5.4 percent or \$2963.

Residential Renovations/Additions

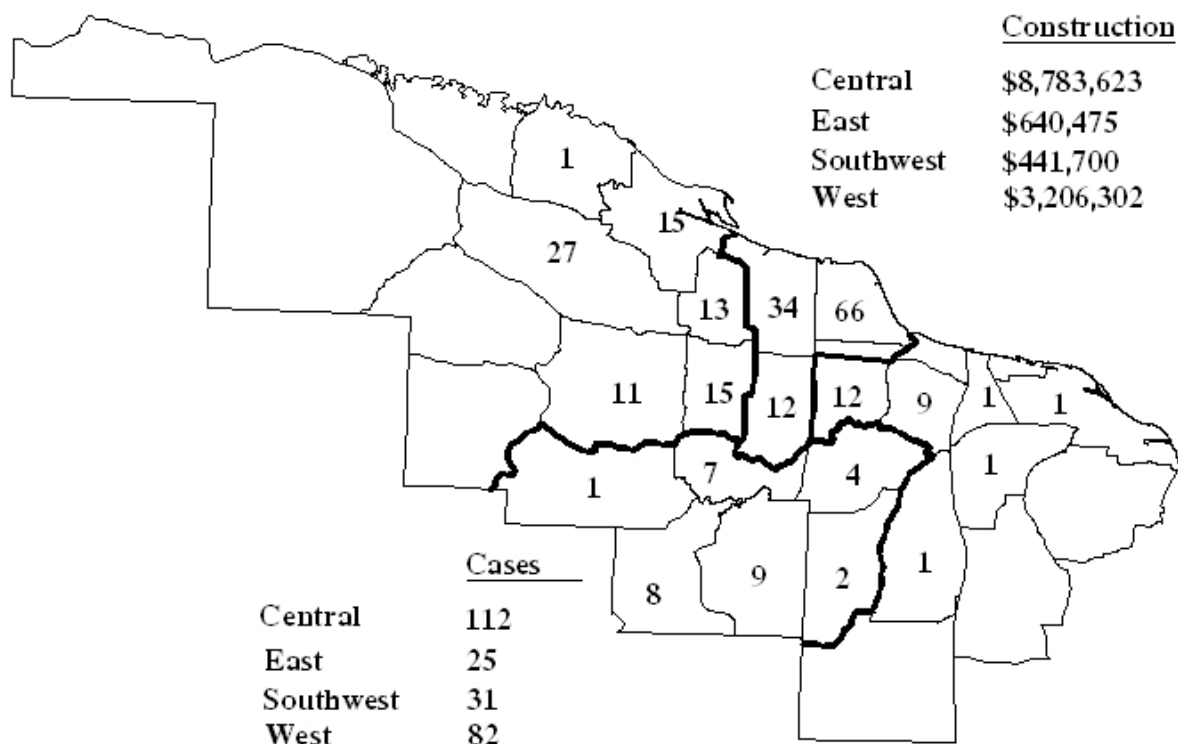
Planning District	Single-Family Additions		Single-Family Renovations		Multi-Family Renovations	
	Permits	Avg. Value	Permits	Avg. Value	Permits	Avg. Value
1	15	\$72,253	25	\$37,356	1	\$90,000
2	13	\$21,220	14	\$14,515	5	\$52,730
3	34	\$54,136	58	\$36,956	23	\$20,403
4	66	\$99,034	85	\$42,299	11	\$539,025
5	0	\$0	7	\$16,871	32	\$188,917
6	0	\$0	1	\$15,000	1	\$18,000
7	1	\$7500	8	\$10,094	0	\$0
8	9	\$55,998	133	\$20,906	16	\$41,844
9	12	\$7519	156	\$12,554	20	\$17,367
10	12	\$32,641	39	\$8714	3	\$23,000
11	15	\$11,597	14	\$13,706	3	\$76,139
12	7	\$18,286	16	\$13,706	1	\$4500
13	4	\$7125	28	\$30,369	22	\$181,614
14	2	\$12,500	13	\$19,092	14	\$85,017
15	9	\$13,178	44	\$10,472	9	\$9978
16	8	\$15,200	2	\$53,500	0	\$0
17	1	\$20,000	1	\$6350	0	\$0
18	11	\$46,913	7	\$80,300	0	\$0
19.1	17	\$39,976	18	\$16,371	0	\$0
19.2	10	\$45,205	16	\$34,344	2	\$278,500
20	1	\$25,000	0	\$0	0	\$0
21	0	\$0	0	\$0	0	\$0
22	0	\$0	0	\$0	0	\$0
23	1	\$30,000	0	\$0	0	\$0
24	1	\$3800	4	\$12,052	0	\$0
25	1	\$20,000	2	\$5201	0	\$0
	250	\$52,288	691	\$26,601	163	\$123,944

Residential Renovations/Additions

Single Family Renovations



Single Family Additions



Demolition Activity

The net change in residential units for 2007 was an increase of 987 residential units. The east and central sub-areas experienced decreases in net units. The central sub-area lost a net seven units and the east sub-area lost 134 units. Six of the City's thirty planning districts experienced net losses of residential units during 2007.

The Heights/Hillcrest, Geyer Springs West, and Port Districts went from positive to negative in 2007. The West Little Rock, Downtown, I-630, and Geyer Springs East Districts went from negative to positive growth in units. The East Little Rock, I-30, and Central City Districts were negative both years.

One apartment was removed with 36 units, but the other 249 units lost in 2007 were single-family homes, with the Heights/Hillcrest and East Little Rock Districts experiencing double-digit net loss in the number of housing units (36 and 123 respectively).

Most of the loss in the Heights/Hillcrest District was due to the removal of an apartment building. In addition, a hundred homes were lost in the East Little Rock District to Airport expansion. The Central City district had the third largest lost of units (49), but the new construction only lost slightly more than were added. The only other district (I-630) with double-digit loss of units with 23 experienced a net increase of 121 units with the addition of an apartment complex.

When reviewing the ten-year history of removed homes, two districts stand out – Central City and I-630. These two districts are averaging the annual removal of 42 and 32 units respectively and consistently have had net losses. The loss of units continues to be high in the older parts of Little Rock, east of University Avenue. This area accounted for 88.4 percent of all units lost (252 of 285 units). Efforts need to be redoubled to stabilize and re-energize these neighborhoods if the loss of housing stock is to be stopped in the core.

Residential Units Change

Planning District	Units Added	Units Demo	Net
1 River Mountain	23	2	21
2 Rodney Parham	1	0	1
3 West Little Rock	85	5	80
4 Heights/Hillcrest	15	51	-36
5 Downtown	160	3	157
6 East Little Rock	0	123	-123
7 I-30	1	3	-2
8 Central City	45	49	-4
9 I-630	144	23	121
10 Boyle Park	30	8	22
11 I-430	39	0	39
12 65th Street West	29	0	29
13 65th Street East	2	2	0
14 Geyer Springs E.	1	3	-2
15 Geyer Springs W.	62	6	56
16 Otter Creek	60	4	56
17 Crystal Valley	48	0	48
18 Ellis Mountain	142	1	141
19.1 Chenal Valley	338	1	337
19.2 Chenal Ridge	39	0	39
20 Pinnacle	5	0	5
21 Burlingame	0	0	0
22 West Fourche	0	0	0
23 Arch Street Pike	0	0	0
24 College Station	3	0	3
25 Port	0	1	-1
Total	1272	285	987

Demolition Activity

Single Family Unit Change

Sub-Area	Units Added	Units Demo	Net
West	381	4	377
Central	58	29	29
Southwest	202	15	187
East	67	201	-134

Single-Family Units Removed

Planning District	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	Total
1	0	2	1	2	1	2	0	3	13	1	2	27
2	3	0	1	0	0	0	0	1	0	0	0	5
3	3	1	2	1	0	0	0	4	5	13	5	34
4	12	8	11	10	13	6	20	12	12	19	15	138
5	3	7	20	5	0	1	1	2	1	1	3	44
6	5	5	3	25	21	8	3	8	3	26	123	230
7	6	5	3	17	1	3	0	3	14	3	3	58
8	38	34	62	61	27	33	32	23	33	31	49	423
9	46	28	24	30	29	23	27	23	27	40	23	320
10	1	2	5	8	5	3	3	6	3	7	8	51
11	1	1	0	2	1	2	2	1	4	1	0	15
12	0	0	3	0	3	1	1	2	1	5	0	16
13	2	2	1	2	0	0	0	1	3	1	2	14
14	2	1	1	10	3	2	0	4	2	2	3	30
15	3	1	3	0	2	3	2	4	4	6	6	34
16	1	0	1	0	1	4	1	1	1	3	4	17
17	0	0	0	0	0	0	0	0	0	0	0	0
18	1	0	0	0	0	1	1	2	5	1	1	12
19	2	1	0	2	0	0	0	3	2	5	1	16
22	0	0	0	0	0	0	0	0	0	0	0	0
23	0	1	0	0	0	0	0	0	0	0	0	1
24	2	0	0	1	2	1	2	0	1	0	0	9
25	3	2	1	2	0	0	1	0	1	0	1	11
Total	134	101	142	178	109	93	96	103	135	165	249	1505

Office Activity

During 2007, the square footage of new office space added increased by 67.6% from 2006. The total square footage permitted in 2007 was 266,666. The number of permits issued increased 35.3% (17 permits in 2006, 23 permits in 2007). In 2007, the total construction cost was \$39,685,437, an increase of 67.3 percent.

The west sub-area accounted for most of office area added with 237,688 square feet or 89.1 percent. The west sub-area had the greatest number of permits with 16 (70%) and the highest value \$35,273,625. The central sub-area had the least activity with one permit with a construction value of \$1.5 million and 2600 square feet of area. Both the east and southwest sub-areas had 3 permits (13% of the activity). The southwest sub-area had the second largest area added 16,160 square feet (6.1%) and second highest added value \$1.6 million. The east sub-area added 10,226 square feet with a permit value of just under \$1.3 million.

Only one building was permitted with over 25,000 square feet. This building is the new headquarters building for Ozark Bank and is located at the northwest corner of Chenal Parkway and Rahling Road. At 112,379 square feet this one building accounts for 42.1% of all the space added in 2007. The next largest building was some 22,400 square feet for a medical office building on Aldersgate Road.

Building Permits – Office

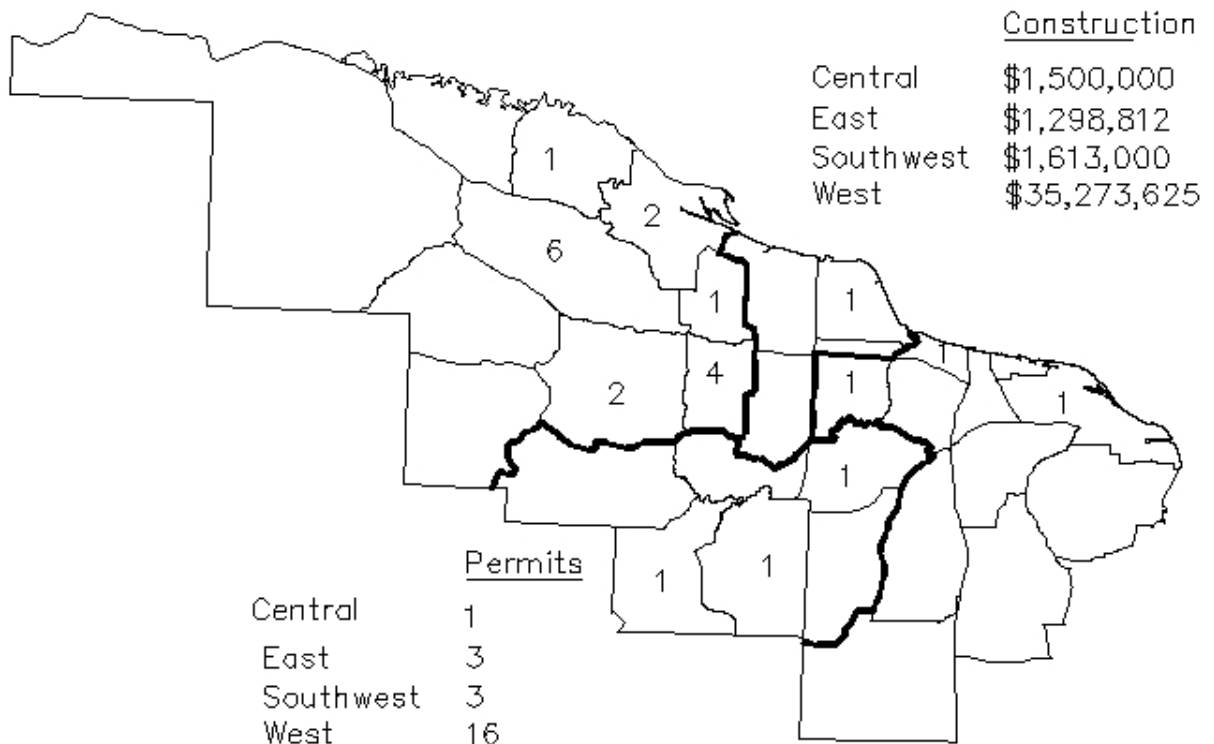
Year	Permits	Sq. Ft.	Cost
1993	6	158,206	\$8,327,700
1994	12	594,340	\$30,625,838
1995	14	286,923	\$10,576,200
1996	15	1,204,450	\$37,458,666
1997	15	903,984	\$10,906,990
1998	29	454,250	\$29,764,837
1999	26	371,382	\$21,483,887
2000	24	1,710,683	\$116,819,784
2001	20	399,011	\$22,173,454
2002	11	99,759	\$9,229,585
2003	22	384,965	\$35,711,284
2004	29	271,496	\$45,341,699
2005	22	281,541	\$27,203,217
2006	17	159,135	\$23,716,810
2007	23	266,666	\$39,685,437

Office Projects Permitted in excess of 25,000 square feet

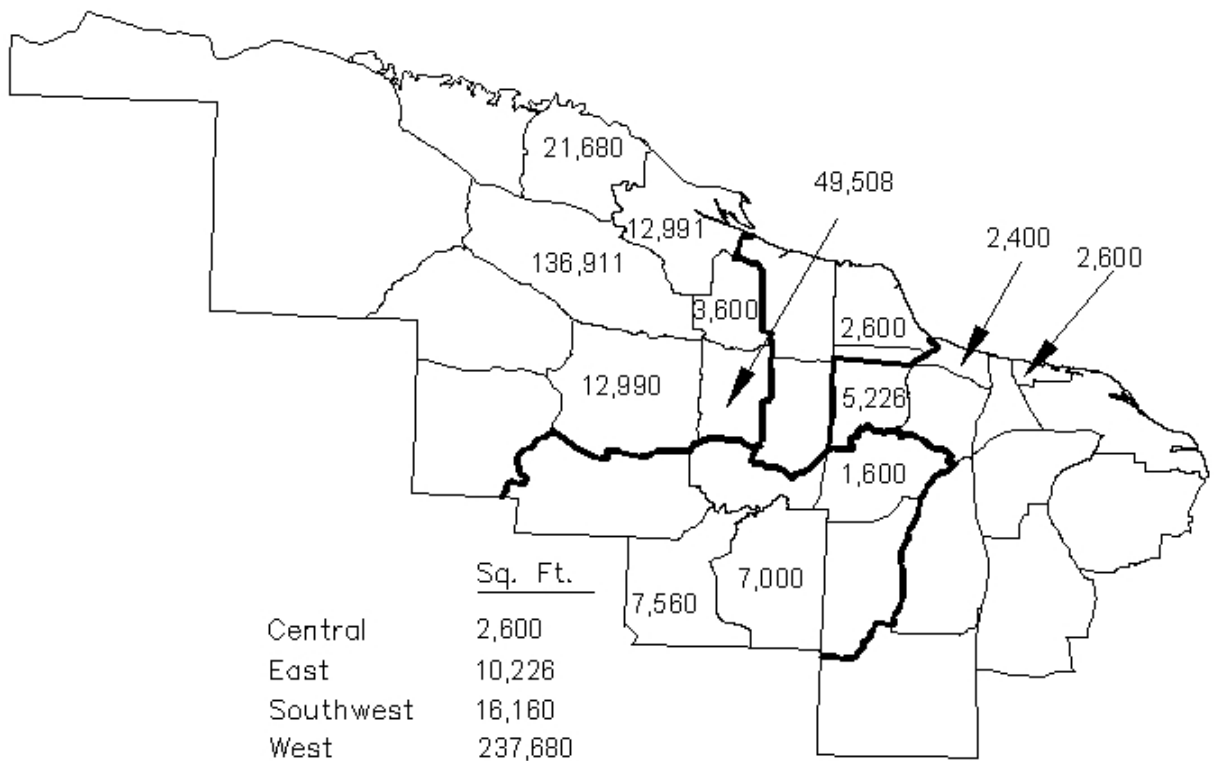
Project	Location	Sub-area	Sq. Ft.
Bank of Ozarks	17901 Chenal Parkway	west	112,379

Office Activity

New Office Activity



New Office Activity



Office Activity

Vacancy Rates are based on 2007 data furnished by *Arkansas Business – 2007 Office, Retail, Warehouse Leasing Guide*. It is important to note that the occupancy rates should not be used as a direct comparison from year to year and comparisons must remain general. The survey is a self-selecting non-verified questionnaire. This information is supplied to give an overview of the occupancy rates within the City. The *2007 Lease Guide* includes listings on 219 office properties within Little Rock. This is a decrease of seven from last year's report. *Arkansas Business* made no effort to validate the survey responses. For more information contact Gwen Mortiz, Editor-In-Chief – *Arkansas Business* at 501-372-1443.

It should be noted that many small buildings only report when their vacancy rate is high, i.e. are not included in the survey when fully occupied or mostly occupied. The survey is used partially to advertise availability of properties by management companies.

Office Market

Sub-area	Total Leasable Space	Average Occupancy Rate
East	4,430,510	82.9%
Central	1,533,272	88%
Southwest	316,069	78.2%
West	3,019,947	83%

The central sub-area continues to show the best occupancy for 2007 with a slight improvement in occupancy rate from 86.5 to 88 percent. The reported square-footage for this sub-area declined by approximately 70,000 square-feet or 4.4 percent. The west and east sub-area each had occupancy rates around 83 percent. This is a slight improvement for the east sub-area (dominated by downtown) and a slight weakening for the west sub-area. These two sub-areas represent over eighty percent of the reporting area for Little Rock. The east sub-area represents 47.6 % of the area reporting and continues to be the largest reporting area, though declining 15.7% in area or 824,557 square feet. The west sub-area with 32.5% of the reporting area declined by 11.3 % in area or 385,425 square feet. The southwest sub-area continues to be the smallest part of the reporting market at 3.4 percent. The 316,069 square-feet reported is a decline of 1.3 percent from that reporting in 2006. The occupancy rate increased to 78.2 percent by far the worst of the sub-areas but up from 72.3 in 2006.

A few new office projects came on-line in 2007 in the 20,000 to 30,000 square-foot size. Most of these new office buildings are in the west or central (in the Heights/Hillcrest area) sub-areas. Some of this new construction has been current lessees building their own building, which resulted in vacant space in existing buildings. At the same time the new building often has additional space, the owner hopes to lease to help increase their income.

Commercial Activity

The total of new commercial construction added in 2007 amounted to 823,137 square feet of commercial space. This represents an increase of 72% in square footage added from that in 2006. Construction values increased by 51.9% from that in 2006. In 2007, \$49,595,750 construction dollars were permitted compared to \$32,646,539 in 2006. The number of projects permitted remained the same from that in 2006 (27 projects).

Seventeen projects exceeded 20,000 square feet in area. Nine of the permits (27%) were for shell buildings or a theater that are the 'Promenade at Chenal' Center for 222,723 square feet. Four are for additional buildings as part of the 'Shackleford Crossing' center for 198,301 (24%) square feet. One of these is J.C. Penney, the largest structure permitted at 107,974 (13.1%) square feet. This leaves four structures. One is a parking structure addition with some medical space added at the Heart Hospital (57,800 square feet). A nursing home in the Chenal area with 48,507 square feet was the sixth largest structure. Hanks Furniture at 75,000 square feet is the second largest structure and was permitted in the I-430 District. All 16 of these are in the west sub-area. The only one not in the west sub-area is Playtime at 69,200 square feet in the 65th Street West District (southwest sub-area).

Building Permits – Commercial

Year	Permits	Sq. Ft.	Cost
1996	53	3,321,000	\$68,384,102
1997	38	2,100,340	\$32,916,260
1998	29	419,669	\$21,048,399
1999	26	348,112	\$12,695,827
2000	20	315,873	\$15,983,521
2001	22	336,692	\$17,434,611
2002	20	231,895	\$17,981,631
2003	26	962,519	\$35,555,179
2004	32	529,251	\$34,259,001
2005	45	677,554	\$71,665,809
2006	27	478,592	\$32,646,539
2007	27	823,137	\$49,595,750

Commercial Projects Permitted in excess of 20,000 square feet

Project	Location	Sub-area	Sq. Ft.
J.C. Penney	2600 S Shackleford Road	west	107,974
Hank's Furniture	1000 S Bowman Road	west	75,000
Promenade at Chenal	17819 Chenal Parkway	west	72,620
Playtime	5601 Bowman Plaza	southwest	69,200
Heart Hospital – parking deck	1701 S Shackleford Road	west	57,800
Convacare	3 Chenal Heights Drive	west	48,507
Promenade at Chenal	17721 Chenal Parkway	west	33,887
Promenade at Chenal	17717 Chenal Parkway	west	32,255
Midwest Cinema	17825 Chenal Parkway	west	32,130
Babies R Us	2616 Shackleford Road	west	30,567
Shackleford Crossing	2614 Shackleford Road	west	29,655
Promenade at Chenal	17711 Chenal Parkway	west	29,518
Promenade at Chenal	17725 Chenal Parkway	west	24,631
Promenade at Chenal	17815 Chenal Parkway	west	24,377
Promenade at Chenal	17809 Chenal Parkway	west	23,049
Promenade at Chenal	17821 Chenal Parkway	west	22,876

Commercial Vacancy Rate

The occupancy rate information provided is based on 2007 data furnished by *Arkansas Business Lease Guide 2007*. It is important to note that the occupancy rates should not be used as a direct comparison from year to year and comparisons should remain general. The information is provided to give an overview of the occupancy rates within the City. The survey is a self-selecting survey, i.e. only those who respond are counted and there is no effort to validate the responses. For more information contact Gwen Mortiz, Editor-In-Chief - *Arkansas Business* at 501-372-1443.

Commercial Market

Sub-area	Total Leasable Space	Average Occupancy Rate
East	518,489	70.2%
Central	2,844,060	89.5%
Southwest	397,518	78.1%
West	2,686,150	90.3%

The reported areas for each of the sub-areas is significantly different from that included in the report for 2006. The east sub-area is the only area to report a drop in occupancy rate. This drop is reported as a seven percentage point reduction to 70.2%, the lowest of any sub-area. The area reporting increased four percent to 518,489 square feet. The central sub-area had the best improvement in occupancy rate, almost 10 percentage points to 89.5%, with an increase of reported area (almost 60 percent increase).

The west sub-area appears the most stable with a one percentage point improvement to 90.3%. However the area reporting declined eight percent to 2,686,150 square-feet. The central and west sub-areas continue to have most of the retail – approximately 85.8 percent. Therefore, the changes in these two sub-areas will guide the numbers for the City as a whole. The southwest sub-area does show an improvement in the occupancy rate from 72.9% to 78.1%. The area reporting for this sub-area declined by 45 percent to 397,518 square-feet.

Industrial Activity

A total of 211,184 square feet of industrial projects was permitted during 2007 in the city. This represents a 82.2% increase over the square feet permitted during 2006. The value of new construction increased 182% from \$7,591,799 in 2006 to \$21,380,347 in 2007. While the number of projects remained at a moderate level, the square footage added remained low, around 200,000 square feet. This is in large part due to the fact that the industrial structures added in 2007 were generally accessory uses in larger developments.

For 2007, the permitted projects were again split between the east and southwest sub-areas. The number of projects in the southwest sub-area dropped 50% to two. One was a warehouse (this project had greatest area of any permitted in 2007). The second was a mini-warehouse. In the east sub-area, the number of projects increased by one to four. Of these, two were Dassault Falcon Jet projects that were production hangers to finish jets.

Building Permits – Industrial

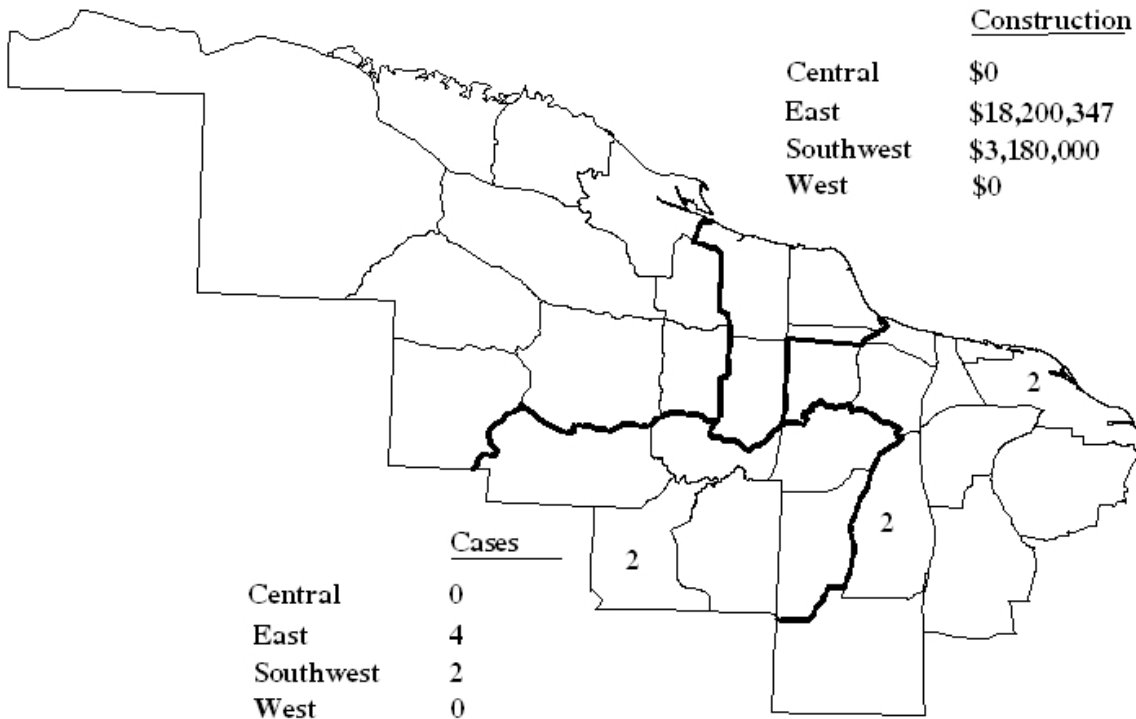
Year	Permits	Sq. Ft.	Cost
1995	4	108,750	\$2,511,400
1996	3	43,250	\$2,221,000
1997	7	513,346	\$6,968,001
1998	13	308,464	\$26,782,784
1999	18	395,022	\$7,622,214
2000	19	382,138	\$8,714,609
2001	7	87,502	\$1,482,000
2002	9	150,235	\$6,353,680
2003	6	138,255	\$10,650,090
2004	8	113,142	\$2,642,000
2005	6	128,585	\$12,591,006
2006	7	115,919	\$7,591,799
2007	6	211,184	\$21,380,347

Industrial Projects Permitted in excess of 25,000 square feet

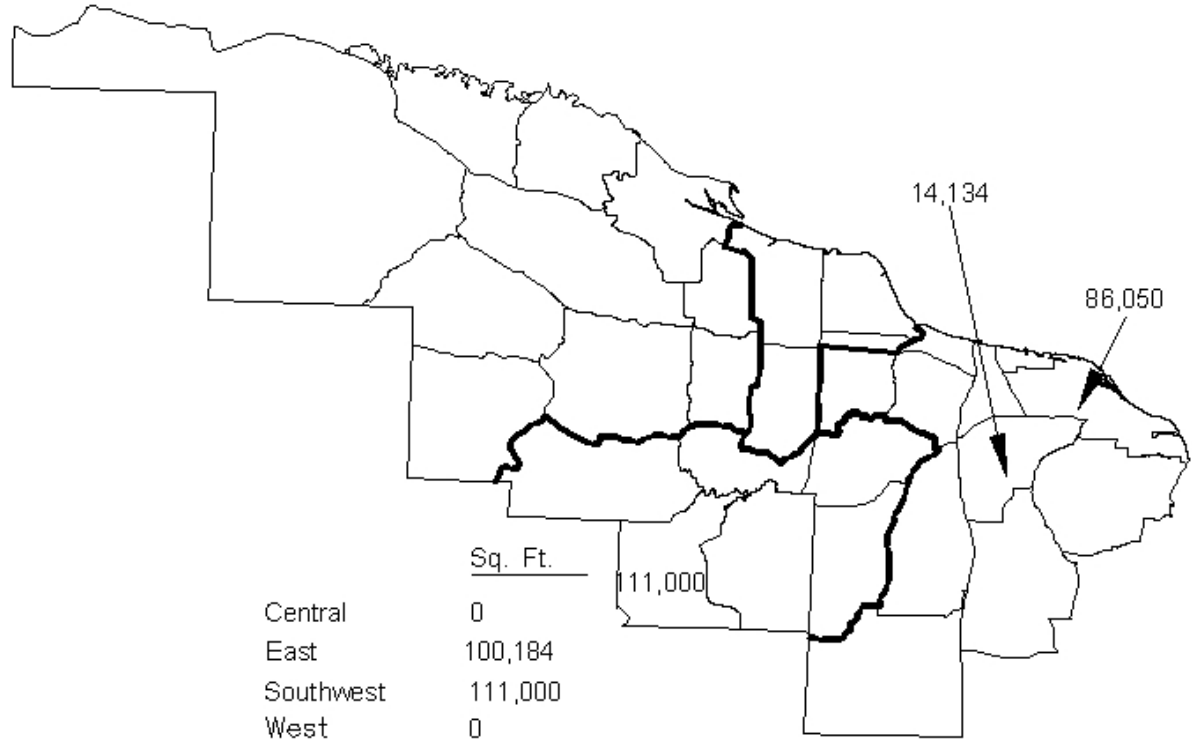
Project	Location	Sub-area	Sq. Ft.
Rogers Warehouse	11205 Otter Creek South Rd	southwest	100,000
Dassault Falcon Jet	3801 East 10 th Street	east	66,050

Industrial Activity

New Industrial Activity



New Industrial Activity



Warehouse Vacancy Rate

Due to the nature of industrial/warehouse properties, some fully occupied properties are often not reported. The vacancy rate may trend high as a result of this characteristic. In the 2007 *Arkansas Business Lease Guide*, the amount of space reported was similar for the east and central sub-areas but the west and southwest sub-areas reported more square footage (both up over 90 percent). As in previous years construction of new structures really does not relate to the changes reported here.

Warehouse Market

Sub-area	Total Leasable Space	Average Occupancy Rate
East	998,475	53.1%
Central	823,674	89.5%
Southwest	3,348,393	39%
West	775,069	64%

Fifty-six percent of the area reporting was in the southwest sub-area. The other three sub-areas reported areas from 775,069 to 998,475 square-feet. The southwest sub-area reported 3.3 million square feet. The occupancy rate of this (reporting area) was only 39 percent, an over 50 percent drop from the figure reported in 2006. Thus the area reporting is almost double as well as the vacancy rate for this sub-area. The west sub-area reported an almost double amount of area, from 403,258 square-feet to 775,069 square-feet. Even with this increase, the west sub-area reported the least square-footage. The occupancy rate for this reporting area did decline one percentage point to 64%.

The east sub-area also reported more area, a 21% increase, to 998,475 square-feet. The occupancy rate for the reporting area declined as well, dropping 13.7% to 53.1%. The central sub-area is the only area to report less area, a 10 percent decline. This sub-area is also the only area to report an improved occupancy rate, rising from 80.8 to 89.5 percent.

It is important to note that the occupancy rates should not be used as a direct comparison from year to year and comparisons must remain general. This information is supplied to give an overview of the occupancy rates within the City. The 2007 *Lease Guide* includes listings on 66 warehouse properties the same as that in the 2006 guide. *Arkansas Business* made no effort to validate the survey responses. For more information contact Gwen Moritz, Editor-In-Chief-*Arkansas Business* at (501)-372-1443.

Annexation Activity

The City accepted one annexation of 137.94 acres in 2007. This single annexation was an action taken by the City of Little Rock to close four ‘islands’ that had been created in the ten years since the last ‘island’ annexation. With annexations all voluntary, occasionally properties become surrounded by the City due to multiple actions. This can cause confusion for among other things public safety providers. Therefore, once a decade or so the City looks to ‘close’ any ‘islands’ that may have been created.

Of the four ‘islands’, two were single properties with one house each, neither being greater than five acres in size. A third annexation area was a small triangular area with several properties by less than 13 acres in area. All three of these areas are grouped along or near Denny Road from Kanis Road to Gordon Road. The final (island) area was along Cantrell Road and was some 123 acres in size with both homes and businesses. This annexation of the four islands became complete in August.

With the acceptance of this area, the current city limits of Little Rock expanded to 119.78 square miles. This is an increase of just over 0.18% from 2006, 1.52% from 2000 and 12.1% from 1990 in total square miles of the City. Areas presented in the table are based on the area generated using legal descriptions for each area.

When reviewing the historical record of Little Rock growth, large expansions occurred in the mid-1950s and again in the late 1970s. It is a second surge in the early to mid-1980s that makes the growth change noticeable to people today. The period of aggressive annexation activity experienced from 1979 through 1985 appears to be over. Since the middle 1980s, except for ‘island annexations, all annexations have been at the request of property owners to get some city service.

Year	Cases	Annexed Acres	City Limits Sq. Miles
1980	10	1951.289	82.633
1981	9	608.971	83.585
1982	7	367.945	84.159
1984	10	364.905	84.730
1985	4	8746.251	98.396
1986	1	21.244	98.429
1987	5	446.156	99.126
1989	1	2176.691	102.527
1990	2	2781.279	106.873
1991	1	686.131	107.945
1993	5	1093.291	109.653
1994	3	1942.767	112.689
1995	1	72.482	112.802
1996	8	695.018	113.888
1997	2	820.152	115.169
1998	3	247.644	115.556
1999	1	1229.616	117.478
2000	2	328.057	117.990
2001	2	566.858	118.876
2002	1	5.34	118.884
2003	1	2.77	118.888
2004	3	377.24	119.477
2005	5	47.49	119.55
2006	1	9.94	119.57
2007	1	137.94	119.78

Subdivision Activity

A review of subdivision plat activity is a good measure of likely development over the next year. The maps and table show the locations of Planning Commission approved preliminary plats. Seventy-two percent of the cases were in either the west or southwest sub-areas, with ten and 8 cases approved respectively in 2007. The west sub-area accounted for a majority of the land involved in a preliminary plat at 51.2 %.

The southwest sub-area had slightly more cases and area involved than that of the west sub-area. Forty percent of the area involved in preliminary plats was located in the southwest sub-area, while the west sub-area represented 32% of the area. Approximately 254 acres in the west sub-area, with 286 acres in the southwest, this is 97 percent of all the area subdivided in 2007. The west sub-area has been and continues to be the growth area of Little Rock. The 2007 data shows the renewed interest in development in the southwest sub-area continuing.

Most of the central and east sub-areas were developed and platted more than four decades ago. Thus the small amount of activity in the east sub-area should not be a surprise. Only two cases and two and a half acres was subdivided in 2007 within the east sub-area. A little over 15 acres in five cases was approved in the central sub-area.

The number of approved preliminary plats decreased from 43 in 2006 to 25 in 2007. The total acreage in 2007 decreased 44 percent from 995.84 acres to 557.28 acres. Non-residential activity as measured by cases dropped to 9 cases. The total non-single family acreage platted went from 192.77 acres to 226.7 acres (a 17.6 percent increase). Commercial acreage remained steady with a forty percent increase, from 140.1 to 195.9 acres. Residential platting activity dropped from 30 plats to 16 plats, a 47 percent decrease. There were no multifamily subdivisions for the third year. Single-family acreage fell 58.8 percent from 803.07 acres to 330.58 acres. Residential lots likewise fell 51.2 percent from 1327 residential lots in 2006 to 647 residential lots in 2007.

The majority of the single-family residential approved preliminary plats in both area and number of lots were located in the west sub-area. 64.9 percent of the acreage (214 acres) and 59.8 percent of the lots (387 lots) were located in the west sub-area. The southwest sub-area had the most, 6 cases approved in 2007. The acreage involved in these plats was 98.86 acres and accounted for 29.9 percent of the area involved in plats for 2007 with 32 percent of the lots (207). The central sub-area had the second highest number of cases, five with 15.22 acres (4.6%) and 49 lots (7.6%). The east sub-area had only one case with two acres and four lots.

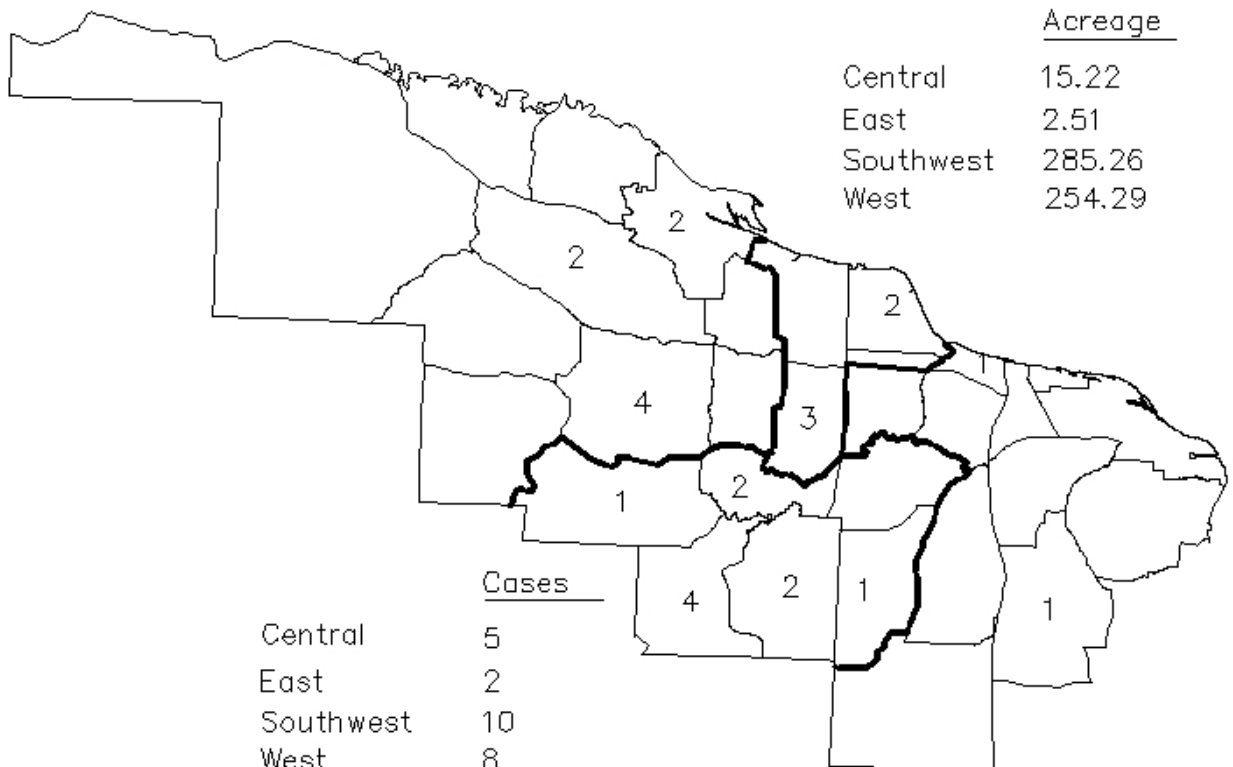
As with single-family plat activity, the west and southwest sub-areas accounted for most of the non-residential plat activity, with 4 cases each. The southwest sub-area was the most active area with 82.2 percent or 176.4 acres. The west sub-area had only 39.79 acres or 17.6 percent of the area.

This plat activity shows continued interest in the west and southwest sub-areas for developable areas.

Subdivision Activity

Plan Dist.	Commercial		Office		Industrial		Multi-Family		Single Family		Res. Lots
	cases	acres	cases	acres	cases	acres	cases	acres	cases	acres	
1			1	6.56					1	2.09	3
4									2	5.26	6
5			1	0.51							
10									3	9.96	43
12					1	10			1	21.65	70
14									1	12.44	2
15									2	14.09	39
16	3	176.4							1	8.16	27
17									1	42.52	69
18	2	19.5							2	173.2	352
19			1	13.73					1	39.21	32
27									1	2	4
Total	5	195.9	3	20.8	1	10	0	0	16	330.58	647

Approved Preliminary Plats



Final Plat Activity

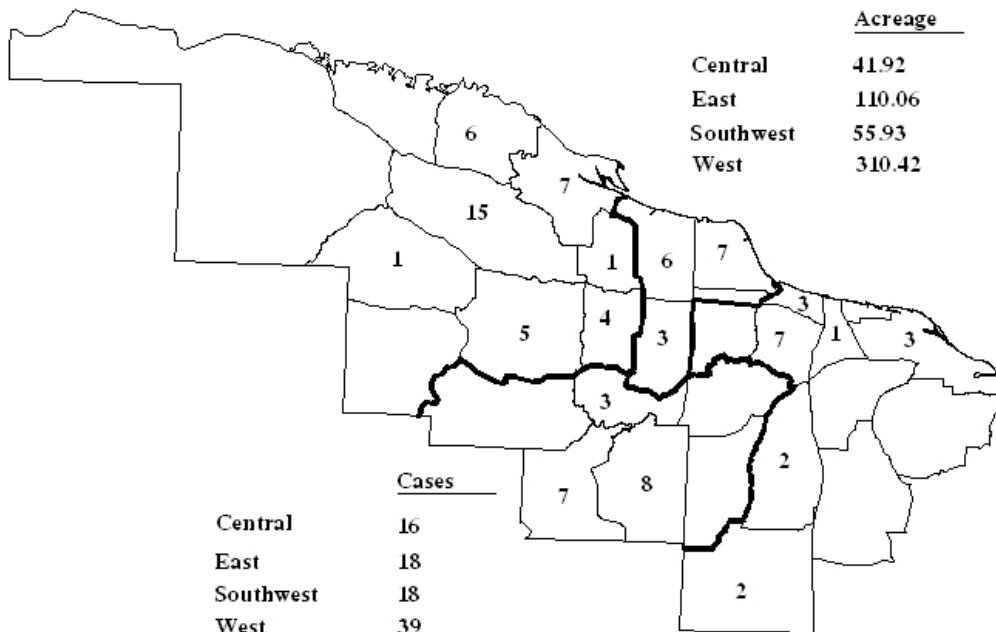
During 2007, there were 91 final plats, this is the same number as for 2006. The acreage involved in 2007 was 518.33, up 10.3% from that is 2006. The final plat activity does not show a significant change from that in 2006.

The area within signed final plats has been concentrated in the west sub-area with 310.42 acres (59.9%). The east and southwest sub-areas each had 18 cases, (19.8%). The acreage platted in the east sub-area was 110.06 (21.2%), twice that final platted in the southwest sub-area (55.93 Ac). The west sub-area represented 42.8% of the cases and 59.9% of the area final platted in 2007. The table and maps indicate more specifically the Planning Districts where the strongest activity is occurring.

Activity in the west sub-area decreased in cases from 50 to 39, but increased 13.8% to 310.42 acres in area. This sub-area experienced the greatest decline in cases. The east sub-area experienced the greatest increase in both the number of cases (10) or 125% and area increase 413% or 107.46 acres.

Plan Dist.	Final Plat	
	cases	acres
1	7	6.75
2	1	0.25
3	6	11.19
4	7	6.45
5	3	3.19
7	1	7.35
8	7	7.99
10	3	24.28
11	4	112.11
12	3	15.35
15	8	24.5
16	7	16.08
18	5	28.4
19	15	81.64
20	6	30.19
21	1	51.08
23	2	14.33
25	3	73.49
28	2	3.71
Total	91	518.33

Approved Final Plats



Zoning Activity

In 2007, twenty-three cases were approved for reclassification. This is a 25.8 percent decrease in the number of approved cases from 2006. The number of cases declined from 31 to 23, with an area decline of 32.5 percent from 150.1 acres in 2006. Most of the approved cases were in the southwest sub-area with 54 percent of the cases (and 53.7% of the area). The east sub-area had the next most cases with 6 (27%) followed by and the west sub-area with 4 cases (18%). There were no 'straight' reclassifications in the central sub-area.

Most of the cases and land area involved were classifications to either commercial or industrial use. Almost forty-one percent of the cases were to commercial (9 cases) which represented 26.9% of the area reclassified (27 plus acres). The cases to industrial numbered 7 or almost 32% of the approvals with an area of over 69 acres (over 68% of the land area reclassified). There were no cases to multifamily with four cases to single-family amounting to two acres and three cases to office involving approximately 2.6 acres.

For the most part these reclassifications were small areas. With only three reclassifications for more than 10 acres: 26.9 acres to industrial, 15 acres to mining (reported under industrial) and 13.09 acres to commercial. It should be noted that most of these areas were already classified either office or commercial prior to the action. The 26.9 acre industrial reclassification accounts for 26.6% of all the land reclassified in 2007 and is located on I-30 in the Geyer Springs West District. This land had been classified commercial, office and residential prior to the action.

Planned Zoning District (PZD) activity remained active with a slight decrease of one case from 2006 (71 to 70 cases). During 2006, 71 cases were approved as PZD's for a total of 406.27 acres. During 2007 there were 70 cases and 577.82 acres approved. This is a decrease of 0.1 percent in the number of cases and an increase of 42.2% in the area involved.

The number of cases shows activity in all sub-areas with no sub-area with as much as a third of all the cases. Three Planning Districts had seven cases (10%), with each located in a different sub-area. The area involved in the reclassifications varies between sub-areas, with 49.4% located in the west sub-area (285.6 acres). The central and east sub-areas represented 10.2% and 14.2% respectively or 59.09 acres and 81.86 acres.

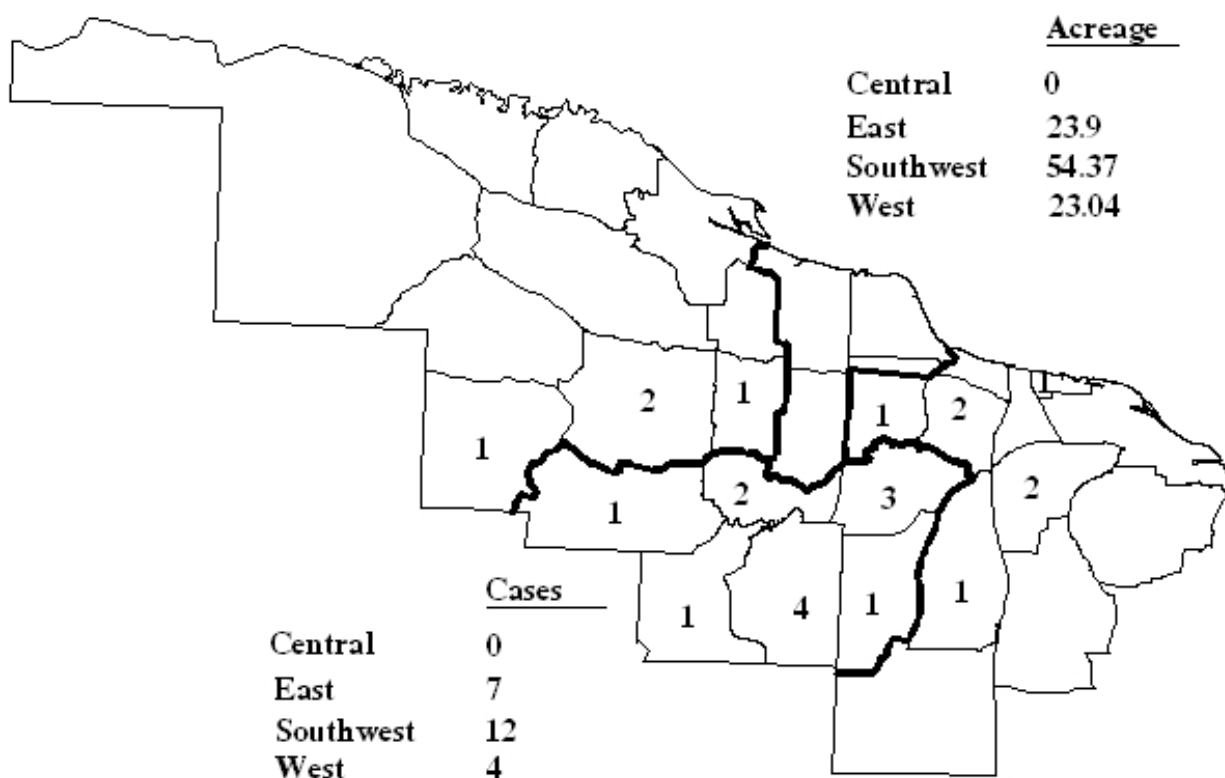
To get a complete view of the zoning activity, one needs to look at both PZD and regular reclassification. For 2007 the number of cases remained steady decreasing ten from 102 in 2006. The area involved in reclassifications increased 22.1% from 556.41 acres to 679.03 acres.

The table and map of rezoning and PZD approved cases show the areas most likely to develop in 2007 or soon then after. Because of the nature of PZD request, these are projects likely to be developed in the near term.

Overall the zoning activity both 'straight' and 'Planned District' was concentrated most in the west and southwest sub-areas, with 75.7% of the area reclassified and 63.2% of the approved cases. Some of this activity is to make existing developments 'legal', but much represents potential new development of redevelopment in areas.

Planning District	Commercial		Office		Multi-Family		Single-Family		Industrial	
	cases	acres	cases	acres	cases	acres	cases	acres	cases	acres
6									1	6.43
8			2	1.75						
9							1	0.3		
11			1	0.88						
12	1	1.58							1	10
13	3	2.34								
14	1	2.04								
15	2	3.95							2	27.37
16									1	2.84
17	1	4.25								
18	1	13.09								7.69
22							1	1.38		
23									1	15
24							2	0.42		
Total	9	27.25	3	2.63	0	0	4	2.1	7	69.33

Approved Rezoning

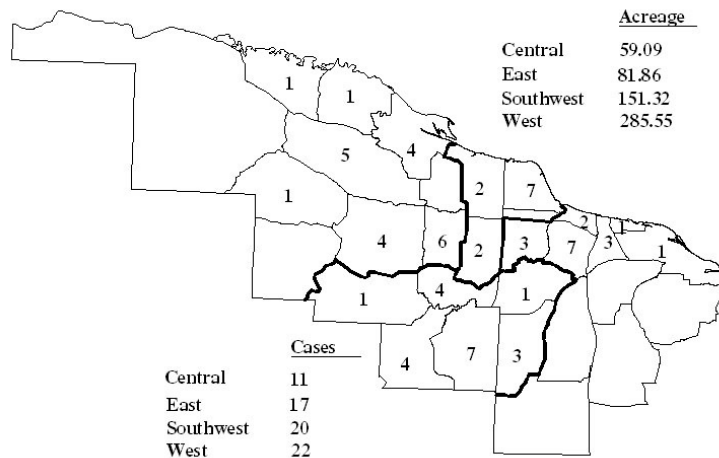


Zoning Activity

PZD Activity

Planning District	Commercial		Office		Industrial		Residential	
	cases	acres	cases	acres	cases	acres	cases	acres
1	2	31.2	2	4.41				
3							2	1.27
4	5	12.05	1	40			1	3.2
5	1	1.26					1	0.51
6	1	11.3						
7	1	0.43	1	22			1	0.51
8	1	0.51					6	14.95
9	1	1.29			1	0.5	1	12.6
10	1	0.67					1	1.9
11	6	158.85						
12	3	20.71					1	6.5
13	1	5.14						
14	2	1.82					1	6.08
15	2	1.74	2	21.18	2	13.34	1	36.3
16	4	34.84						
17			1	3.67				
18	2	7.77					2	14.35
19	4	26.45	1	2.33				
20	1	1.6						
21			1	0.99				
25					1	16		
29	1	37.6						
Total	39	355.23	9	94.58	4	29.84	18	98.17

Approved PZD's



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